



# **CITY OF WILMINGTON**

## **ANNUAL ACTION PLAN 2015-2016**

**DRAFT FOR PUBLIC COMMENT**

Submitted to the Citizens of Wilmington  
April 6, 2015

**The City of Wilmington does not discriminate on the basis of race, sex, color, national origin, religion or disability in its employment opportunities, programs or activities.**

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## **Action Plan**

The FY2015-16 Annual Action Plan includes the [SF 424](#) and Narrative Responses to Action Plan questions that CDBG, HOME, HOPWA, and ESG grantees must respond to each year in order to be compliant with the Consolidated Planning Regulations. The Executive Summary narratives are optional.

## **Narrative Responses**

### **GENERAL**

### **Executive Summary**

The Executive Summary is required. Include the objectives and outcomes identified in the plan and an evaluation of past performance.

#### **Action Plan Executive Summary:**

The Annual Action Plan describes the programs and projects that will be initiated or continued during the period from July 1, 2015 through June 30, 2016. This is the fourth program year (PY) of the five-year Consolidated Plan. The main focus of the plan is to provide a summary of projects and programs that will address the housing and community development priorities identified in the City's Consolidated Plan. The plan provides direction for the appropriation of the City's federal entitlement grants and the related program income.

The City of Wilmington has been a Community Development Block Grant (CDBG) entitlement community since 1975. Funding comes to the City's Community Development Division, Community Services Department, in the form of an annual block grant administered by the U.S. Department of Housing and Urban Development (HUD). CDBG funds can be used with great flexibility to provide "decent housing, a suitable living environment, and expand economic opportunities principally for persons of low and moderate income". In addition to the CDBG funds, the City receives HOME Investment Partnership Program funds, also funded through HUD. The HOME grant is specifically for affordable housing.

In program year 2015-16, the City anticipates \$881,896 in CDBG entitlement funds (\$19,648 decrease) and \$439,437 in HOME entitlement funds (13% decrease, \$59,213). Program income is projected to be \$363,700 for CDBG programs, including unappropriated revolving loan income, and \$250,000 for HOME. In addition, as of February 28, 2015, the following funds were available \$1,423,768 in unexpended and prior year HOME funds along with \$1,423,526 in unexpended and prior year CDBG, along with \$1,127,492 in Revolving Loan funds. These funds will be used to complete and/or continue programs and projects identified in the FY2014-15 Annual Action Plan or applied to FY2015-16 projects as described herein. One hundred percent of CDBG funds are anticipated to be used for the benefit of low-to-moderate income persons.

The proposed projects and programs for implementation in the coming fiscal year, as presented in this plan, include projects to increase the supply of affordable rental housing; foster homeownership; preserve and rehabilitate existing housing stock; and provide services and support for the homeless, including ex-offenders, victims of domestic violence and at-risk youth. Resources are made available to provide for services to improve neighborhoods and serve citizens, including at-risk youth.

This Action Plan is prepared using HUD's guidelines for creating a Consolidated Plan. This Plan includes all the necessary and required elements of an Action Plan including, but not limited to, descriptive narratives, geographic area receiving benefits, identification of obstacles and barriers to meeting needs and providing affordable housing, planning process and methodology, monitoring plan, lead-based paint, specific housing development objectives, community development objectives, and homelessness prevention objectives. The plan also includes a budget for the use of CDBG and HOME entitlement funds for the plan year and carryover of unexpended funds from prior years.

The availability of the draft FY2015-16 Annual Action Plan for public comment was advertised on the internet and in the Wilmington Star News newspaper on April 6, 2015. Copies of the draft were made available through the Community Development division, City Clerk's and City Manager's Office and on the City website. A summary report of the Plan was presented to the Council and for public hearing on April 21, 2015.

## **General Questions**

1. Describe the geographic areas of the jurisdiction (including areas of low income families and/or racial/minority concentration) in which assistance will be directed during the next year. Where appropriate, the jurisdiction should estimate the percentage of funds the jurisdiction plans to dedicate to target areas.
2. Describe the basis for allocating investments geographically within the jurisdiction (or within the EMSA for HOPWA) (91.215(a) (1)) during the next year and the rationale for assigning the priorities.
3. Describe actions that will take place during the next year to address obstacles to meeting underserved needs.
4. Identify the federal, state, and local resources expected to be made available to address the needs identified in the plan. Federal resources should include Section 8 funds made available to the jurisdiction, Low-Income Housing Tax Credits, and competitive McKinney-Vento Homeless Assistance Act funds expected to be available to address priority needs and specific objectives identified in the strategic plan.

### **Action Plan General Questions Response:**

1. The geographic area is the City of Wilmington and all census tracts within the city limits. Targeted areas will depend on the topic in question and will be noted in the respective sections of the Plan.

2. The basis for allocating resources geographically within the City of Wilmington will be directed by the information and policy resulting from the formulation of the City's Comprehensive Plan. Additionally, the City is a member of a consortium that received a HUD/EPA/DOT Regional Sustainability Planning Grant which provided a great deal of data and information to guide the allocation of CDBG/HOME and other community development resources. These planning processes, along with the New Hanover County Comprehensive Planning process, are already providing useful information to add to existing plans like the NorthSide Plan and the Choice Neighborhood Plan for the Southside. As a result, the City in partnership with the Wilmington Housing Authority and many other public, private and non-profit organizations applied to HUD to be designated as a Promise Zone. This designation will help continue the focus on the City's most distressed neighborhoods to better coordinate resources and secure additional resources. Recommendations, findings, and data resulting from the aforementioned plans and Promise Zone area will be referenced throughout the Annual Action Plan as a basis for allocation of resources.

3. The greatest obstacle to meeting underserved needs in Wilmington is persistent income inequality and the stagnation of earned income and job advancement opportunity in the local economy. Over the past several decades Wilmington and the surrounding region have experienced population growth as a result of in-migration of retirees and others; thus the limited supply of housing and developable land has become more costly. According to Wilmington's Comprehensive Plan, the city is 90 percent built out. The increase in housing cost has far out-paced any increase in median income. Providing affordable housing to anyone below 80 percent of area median income is a challenge. Special populations (elderly, disabled, homeless, ex-offenders) are adversely impacted by the gap of affordable housing

Many of the new residents moving to the area are retired and relocating from areas with higher incomes and property values. While this contributes to an increase in the area median income and brings higher income households into the local economy, it also factors into the increase in housing costs. According to census data compiled by HUD the Median Family Income increased by 27 percent from 2000 to 2010, while the Median Home Value increased by 94 percent. Housing cost are outpacing income and making homeownership unattainable for many families. This change in population negatively impacts the proportion of lower income households that have equitable access to housing in all areas of the region.

For residents earning wages from employment in the area, in contrast to income from retirement investments, the median hourly wage is \$14.91 or about \$31,013 annually

([www.bls.gov/oes/2001/oes\\_9200.htm#600-0000](http://www.bls.gov/oes/2001/oes_9200.htm#600-0000))

([http://www.bls.gov/oes/current/oes\\_48900.htm](http://www.bls.gov/oes/current/oes_48900.htm)). The Garner Report, a report commissioned by New Hanover County and the City of Wilmington, to examine economic indicators and identify strategies for improving economic development and growth, found that wages in the Wilmington job market are below comparable benchmark cities and the state and nation. The report goes on to point out that wages adjusted for inflation have declined over the last five years. The wages that most families earn is not, according to the MIT Living Wage Calculator, sufficient for providing the food, shelter and other necessities for a modest standard of living. (<http://livingwage.mit.edu/places/3712974440>)

A 2014 National Low Income Housing Coalition report “Out of Reach” determined that in Wilmington a family would need to earn \$32,720 annually or \$15.73/hour to afford a two bedroom unit at Fair Market Rent of \$818. The report goes on to show that the estimated average (mean) wage of renters in Wilmington is \$10.92/hour. At this wage an affordable apartment would need to cost no more than \$568 month. As indicated in previous reports, Wilmington continues to have a problem with housing cost burden, or stated another way, renters are paying more than 30 percent of their income for housing. This leaves little income to pay for other necessities or disposable income to support the local economy. ([www.nlihc.org](http://www.nlihc.org))

Home ownership continues to be a challenge for many households in the region. As noted above the majority of working households earn wages below the area median income. An examination of the area median income (AMI) over the past decade reveals that families earning 80 percent or less AMI have been challenged to purchase a home since 2004. This trend continues even with the recent decline in home prices. Not unlike many communities, the development of more affordably priced housing has moved farther from the existing economic and employment centers into suburban and rural areas within Brunswick and Pender Counties. Those homeowners living in more affordably priced homes in rapidly growing, newly developed suburban areas are experiencing the increased cost of transportation. Ninety-one percent of the population in the region is paying more than 45 percent of their income on combined housing and transportation costs.

An analysis of HUD’s Comprehensive Housing Affordability Strategy data shows that in Wilmington a majority of homeowners (71%) and renters (69%) earning less than 80 percent of the area median income are housing cost burdened. This data also reveals that minority households experience housing cost burden at a greater rate than non-minority households. This information coupled with the existing income and housing data confirms what many affordable housing practitioners, and government and public agency officials, among others, have observed, the region is experiencing greater disparity in equitable access to affordable housing based upon income.

The five-year Consolidated Plan for FY2013-2017 identified the greatest community development need in our community as affordable rental housing for the extremely-low and very-low-income families. In addition, the plan identified the need for access to affordable homeownership for low-income households as a priority, along with preservation of existing affordable housing stock, and providing emergency shelter and services for homeless and sustaining progress in transitioning homeless to permanent housing, including permanent supportive housing. Additionally, the plan identified special needs populations as high priority for prevention of homelessness, and housing and other services.

The proposed projects and programs for implementation in the coming fiscal year, as presented in this plan, include projects to develop affordable rental housing for families. The plan continues initiatives to provide affordable homeownership opportunities for low-to-moderate income households, as well as, support for low-to-moderate income homeowners seeking assistance with housing rehabilitation and/or repairs, especially elderly and other special needs populations. These projects help maintain existing affordable housing stock and foster homeownership within the city. In addition, the plan provides opportunities to rehabilitate foreclosed upon and vacant properties and return these units to the affordable housing market.

Furthermore, youth serving organizations are also recommended for funding to ensure that at-risk youth have access to services needed to maintain a suitable living environment. Job counseling and placement services for special populations, specifically homeless and ex-offenders, are supported in the plan. Continued support for emergency shelters and transitional housing is included. Public facilities improvements for transitional housing serving special populations is provided for in the plan to ensure access to suitable living environment.

## **Managing the Process**

1. Identify the lead agency, entity, and agencies responsible for administering programs covered by the consolidated plan.
2. Identify the significant aspects of the process by which the plan was developed, and the agencies, groups, organizations, and others who participated in the process.
3. Describe actions that will take place during the next year to enhance coordination between public and private housing, health, and social service agencies.

### **Action Plan Managing the Process Response:**

1. The City of Wilmington carries out federal programs administered by the U.S. Department of Housing and Urban Development (HUD). The Five-Year Consolidated Plan is the document that Wilmington submits to HUD as an application for funding for the following programs:

Community Development Block Grant program (CDBG)  
HOME Investment Partnership Program (HOME)

The lead agency responsible for the development of the City's Annual Action Plan is the Wilmington Community Development Division, Community Services Department.

Agencies assisting the City in carrying out its Plan include the Wilmington Housing Authority, Community Housing Development Organizations (CHDOs), Cape Fear Habitat for Humanity, and other non-profit agencies providing housing and public services to the homeless, victims of domestic violence, people with disabilities, and people released from local, state and federal institutions.

2. The development of the Annual Action Plan for CDBG and HOME Programs FY2015-16, is built on a number of other studies, plans and reports prepared in recent years. In particular, the Annual Action Plan is utilizing data, findings, recommendations presented as a result of three comprehensive planning processes underway in the City of Wilmington, New Hanover County, and the Lower Cape Fear Region (New Hanover, Pender, & Brunswick Counties). Additionally, the Wilmington Housing Authority's Neighborhood Transition Plan for Choice Neighborhoods Plan for the Southside, the City of Wilmington Promise Zone application, the Tri-County Continuum of Care application, and various small area plans and studies that are referenced or incorporated in the aforementioned comprehensive plans.

The process by which the plan was developed integrated the goals and objectives set forth in the aforementioned plans. To that end, the process include the solicitation of applications identifying activities to address CDBG and HOME objectives, priorities and needs identified in the City's Five-Year Consolidated Plan and City of Wilmington Strategic Plan.

In response to the 2012 HOME Appropriations Act and in an effort to ensure a timely expenditure of CDBG and HOME funds the City Council adopted the City of Wilmington HOME Appropriations Policy for Complying with the FY2012 HOME Appropriations Law (*Consolidated and Further Continuing Appropriations Act of 2012 P.L. 112-55*). In accordance with this policy, requests for funds for the construction of rental or homeowner housing, single-family or multi-family are subject to a more rigorous review to determine market demand, quality of design and construction, and, financial soundness and capacity of developer. In order to recommend funds construction projects should be ready for development at a specified site, other sources of finance identified, plans or specifications drafted, and pre-construction activities in progress. Housing production/construction projects will be considered as funds are available; this is a change from the biennial application cycle.



Moreover, the City of Wilmington consulted with other public and private agencies to identify and prioritize community needs, and develop strategies and action plans. Through individual and group meetings, the representatives from the following agencies were consulted as part of planning process:

- Tri-County Interagency Council on Homelessness
- North Carolina Coalition on Homelessness
- Coastal Care formerly Southeastern Regional Mental Health Center
- Cape Fear Literacy Council
- Cape Fear Community College
- Wilmington Housing Authority
- The ARC of North Carolina
- LINC: Re-entry Roundtable Discussions
- Good Shepherd Ministries
- Wilmington Interfaith Hospitality Network
- First in Families of Southeastern North Carolina
- University of North Carolina Wilmington
- Coastal Horizons Center, Inc.
- Domestic Violence Shelter and Services, Inc.
- WAVE Transit
- Wilmington Housing Finance and Development, Inc.
- Wilmington Regional Association of Realtors
- City of Wilmington, Development Services Department, Planning Division
- City of Wilmington, Community Services Department, Parks and Recreation
- City of Wilmington Police Department
- City of Wilmington Fire Department
- AMEZ Community Development Corporation
- Cape Fear Housing Coalition
- Cape Fear Council on Aging
- New Hanover County Department on Aging
- New Hanover County Planning Department
- Legal Aide
- New Hanover County Department of Social Services
- New Hanover Regional Medical Center
- North Carolina Department of Health and Human Services, Division of Aging; Division of Facility Services; Division of Mental Health, Developmental Disabilities, and Substance Abuse Services
- North Carolina Department of Corrections
- North Carolina Employment Security Commission
- Phoenix Employment Ministry
- DREAMS
- Cape Fear Area United Way
- NC Community Development Association
- NC Housing Finance Agency

- Cape Fear Area Chamber of Commerce
- Kids Making It
- DREAMS
- First Fruit
- Wilmington Regional Associations of Realtors
- Community Boys & Girls Club
- Brigade Boys & Girls Club
- Food Bank of Central & Eastern NC
- American Red Cross
- The Carousel Center
- Cape Fear Housing Land Trust

3. During the next year the Community Development Division will continue to work to enhance coordination between public and private housing, health, and social services agencies by maintaining an active participation and consultation with public and private agencies to address community needs.

The need for affordable rental housing was identified as a high priority for the City in the Consolidated Plan. City Community Development resources will continue to foster the development and/or redevelopment of affordable rental housing. As well as promoting the development of rental housing, the City will continue to support organizations, such as Cape Fear Habitat for Humanity and Cape Fear Community Land Trust, which provide homeownership opportunities for very low and low income households. These agencies utilize construction and equity models that enable citizens to own a home for less than the Fair Market Rent. Additionally, the City will continue to provide financing for housing rehabilitation. Homeownership loans for eligible low to moderate income households will continue through the City's HOP program in partnership with area banks.

## **Citizen Participation**

1. Provide a summary of the citizen participation process.
2. Provide a summary of citizen comments or views on the plan.
3. Provide a summary of efforts made to broaden public participation in the development of the consolidated plan, including outreach to minorities and non-English speaking persons, as well as persons with disabilities.
4. Provide a written explanation of comments not accepted and the reasons why these comments were not accepted.

\*Please note that Citizen Comments and Responses may be included as additional files within the CPMP Tool.

## **Action Plan Citizen Participation response:**

### **1. Citizen Participation Process:**

Encouraging citizen participation and consulting with other public and private agencies are important parts of the planning process. The City used several methods to solicit citizen participation and to consult with other public and private entities, including public notices, public meetings, public hearings and other outreach efforts. A copy of the City's Citizen Participation Plan can be found on the City of Wilmington's website ([www.wilmingtonnc.gov](http://www.wilmingtonnc.gov)) or obtained upon request by contacting the Community Development Division.

As discussed previously, the City of Wilmington, New Hanover County and a regional consortium are all in the process of creating comprehensive plans for the future development of the their respective planning areas. Local government officials have worked collaboratively to coordinate planning efforts and share information. Each of these planning efforts have included an extensive public input component allowing citizen input from a diverse range of residents, on topics including community development issues of housing, public service, public facilities, low-moderate-income needs, slum and blight, economic development, transportation, and other relevant topics. Information obtained through these efforts was utilized in the development of the Annual Action Plan and will continue to inform community development goals and strategies. Please see the appendix for detail on City of Wilmington public input in the *Foundations Report* draft also found at <http://createwilmington.com/documents/>.

### **Public Meetings**

The City of Wilmington will hold a formal public hearing on April 21, 2015, to obtain comments on the draft of the FY2015-16 Annual Action Plan. The hearing will be held in Council Chambers at City Hall. Prior to the meeting a draft of the Plan will be e-mailed to interested parties on the City's "Outside Agency" database and will be available on the City's website and in the New Hanover County main library. The public hearing and the 30-day comment period will be advertised in the local newspaper at least 14 days in advance of the hearing, and on the City's cable channel, and through local housing and service providers. Comments received during the planning process and during the 30-day comment period will be summarized in the final draft.

### **2. Citizen Comments: Below are public comments received:**

TBD

3. Efforts to broaden public participation in the development of the consolidated plan: A survey, in conjunction with focus groups was used to broaden public participation in the development of the 2013-2017 Consolidated Plan.

### **4. Explanation of Comments not accepted:**

TBD

## **Institutional Structure**

1. Describe actions that will take place during the next year to develop institutional structure.

### **Plan Institutional Structure response:**

The City will continue to have formal and informal working relationships with the Wilmington Housing Authority, Community Housing Development Organizations (CHDOs), Cape Fear Habitat for Humanity, Leading Into New Communities (LINC), the Cape Fear Community Land Trust and other non-profit housing developers

Several multi-family projects are included in the FY2015-16 Annual Plan. Shipyard Village by Beacon Management, Inc. will provide 72 units of affordable rental for low income households. In addition to Shipyard Village, the plan also recommends funding the rehabilitation of a 40 unit affordable family project – Willow Pond- previously funded with LIHTC and City funds. All projects recommended for funding are contingent upon receipt of other financing. These projects, if funded, will enable the City of Wilmington to leverage its entitlement funds and increase and maintain the number of affordable rental units available for low-to-moderate income households.

The City will continue a close working relationship with nonprofit organizations involved in providing multi-family housing, emergency shelters, transitional housing for the homeless and domestic violence victims, and group homes for people with physical or mental disabilities, substance abuse problems or HIV/AIDS.

## **Monitoring**

1. Describe actions that will take place during the next year to monitor its housing and community development projects and ensure long-term compliance with program requirements and comprehensive planning requirements.

### **Action Plan Monitoring Response:**

The Community Development Compliance Specialist will manage the annual monitoring programmatic assessment of every housing and community development project funded by HOME and CDBG as required by law. Agencies will be provided on-going technical assistance. Agencies identified with concerns or findings will be required to participate in in-depth reviews, i.e., weekly, monthly and quarterly and technical assistance. Desk monitoring will also be conducted, where applicable, and all currently funded and affordability period eligible agencies are required to participate in a mandatory quarterly reporting tool. Pre-award conferences will continue to be held to finalize contracts and review reporting compliance. Technical assistance, especially to new grant recipients, will be provided when deemed appropriate. All newly funded housing and development projects will be provided with technical assistance regarding federal regulations, i.e. environmental assessment process, tenant selection process, Davis Bacon, fair labor

standards, fair housing, Section 3, Minority Business Enterprises, etc. as applicable by law. Additionally, Finance Staff assigned to the Community Development Division monitor compliance with all federal financial requirements pertaining to CDBG and HOME, such as those found in Office of Management and Budget Circulars and the Code of Federal Regulations Part 84 and 85. Finance Staff are also responsible for managing the loan portfolio for loans made to individual/households for homeownership (HOP) and owner-occupied housing rehabilitation.

## **Lead-based Paint**

1. Describe the actions that will take place during the next year to evaluate and reduce the number of housing units containing lead-based paint hazards in order to increase the inventory of lead-safe housing available to extremely low-income, low-income, and moderate-income families, and how the plan for the reduction of lead-based hazards is related to the extent of lead poisoning and hazards.

### **Action Plan Lead-based Paint Response:**

All housing rehabilitation activities will include a lead-based paint (LBP) assessment, hazard control and abatement where necessary. All Community Development outside agencies activities, such as the the AMEZ HOUSING CDC, Cape Fear Regional CDC, Habitat for Humanity, and Wilmington Area Rebuilding Ministry housing rehabilitation projects, will be monitored for compliance with the Lead Rule.

## **Specific Objectives**

### **Action Plan Specific Objectives Response:**

<input checked="" type="checkbox"/>	<b>Objective Category: Decent Housing</b> Which includes:	<input checked="" type="checkbox"/>	<b>Objective Category: Suitable Living Environment</b> Which includes:	<input type="checkbox"/>	<b>Objective Category: Expanded Economic Opportunities</b> Which includes:
<input checked="" type="checkbox"/>	assisting homeless persons obtain affordable housing	<input checked="" type="checkbox"/>	improving the safety and livability of neighborhoods	<input type="checkbox"/>	job creation and retention
<input checked="" type="checkbox"/>	assisting persons at risk of becoming homeless	<input checked="" type="checkbox"/>	eliminating blighting influences and the deterioration of property and facilities	<input type="checkbox"/>	establishment, stabilization and expansion of small business (including micro-businesses)
<input checked="" type="checkbox"/>	retaining the affordable housing stock	<input checked="" type="checkbox"/>	increasing the access to quality public and private facilities	<input checked="" type="checkbox"/>	the provision of public services concerned with employment
<input checked="" type="checkbox"/>	increasing the availability of affordable permanent housing in standard condition to low-income and moderate-income families, particularly to members of disadvantaged minorities without discrimination on the basis of race, color, religion, sex, national origin, familial status, or disability	<input checked="" type="checkbox"/>	reducing the isolation of income groups within areas through spatial deconcentration of housing opportunities for lower income persons and the revitalization of deteriorating neighborhoods	<input type="checkbox"/>	the provision of jobs to low-income persons living in areas affected by those programs and activities under programs covered by the plan
<input type="checkbox"/>	increasing the supply of supportive housing which includes structural features and services to enable persons with special needs (including persons with HIV/AIDS) to live in dignity and independence	<input type="checkbox"/>	restoring and preserving properties of special historic, architectural, or aesthetic value	<input checked="" type="checkbox"/>	availability of mortgage financing for low income persons at reasonable rates using non-discriminatory lending practices
<input checked="" type="checkbox"/>	providing affordable housing that is accessible to job opportunities	<input type="checkbox"/>	conserving energy resources and use of renewable energy sources	<input type="checkbox"/>	access to capital and credit for development activities that promote the long-term economic social viability of the community

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## HOUSING

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### Specific Housing Objectives

\*Please also refer to the Housing Needs Table in the Needs.xls workbook.

1. Describe the priorities and specific objectives the jurisdiction hopes to achieve during the next year.
2. Describe how Federal, State, and local public and private sector resources that are reasonably expected to be available will be used to address identified needs for the period covered by this Action Plan.

City of Wilmington			
ANNUAL ACTION PLAN FY2015-16			
Affordable Housing Objectives and Strategies			
HUD Objective		Objective:	Key One-Year Targets
Decent Housing	X	Increase and maintain the supply of safe, decent rental housing units available for low-income households, focusing on households earning 50% or less of the AMI.	Construct- 76 rental units; Rehab 47 rental units
Suitable Living Environment			
Create Economic Opportunity			
HUD Outcome		Strategies:	Resources to be used:
Availability/Accessibility	X	Shipyards Village 72 unit multifamily; Willow Pond 40 unit multifamily rehab; CFRCDC up to 7 single-family affordable rental units; AMEZ CDC up to 4 single-family affordable rental units	CDBG; HOME; Revolving Loan; LIHTC; Private funds
Affordability	X		
Sustainability	X		
HUD Objective		Objective:	Key One-Year Targets
Decent Housing	X	Increase opportunities for low income households (less than 80% AMI) to become homeowners through mortgage subsidy	6 households w/mortgage subsidy i.e. HOP, NCHFA, etc.
Suitable Living Environment			
Create Economic Opportunity			
HUD Outcome		Strategies:	Resources to be used:
Availability/Accessibility	X	Continue HOP partnership with local banks;	CDBG; HOME; Revolving Loan Fund; General Fund
Affordability	X		
Sustainability			
HUD Objective		Objective:	Key One-Year Targets
Decent Housing	X	Increase opportunities for low income persons to become homeowners, focusing on very low-income and low income households	6 new construction/rehab units
Suitable Living Environment			
Create Economic Opportunity			
HUD Outcome		Strategies:	Resources to be used:
Availability/Accessibility	X	CFHFH infill rehabilitate or rebuild up to 6 units for homeownership	HOME; NSP; Private Funds
Affordability	X		
Sustainability	X		
HUD Objective		Objective:	Key One-Year Targets
Decent Housing	X	Preserve and improve existing affordable owner housing for low-income owners, focusing on elderly, disabled and other special needs populations	15 critical repairs; 5 major rehabs
Suitable Living Environment			
Create Economic Opportunity			
HUD Outcome		Strategies:	Resources to be used:
Availability/Accessibility	X	Continue City Rehabilitation Loan Program; CFHFH/WARM- NRI program: critical repairs up to 15 units; rehab/reconstruct up to 6; 5 major rehabilitations to owner-occupied homes	CDBG; HOME; Private Funds; Volunteer Labor
Affordability	X		
Sustainability	X		

City of Wilmington			
ANNUAL ACTION PLAN FY2015-16			
Affordable Housing Objectives and Strategies			
HUD Objective		Objective:	Key One-Year Targets
Decent Housing	X	Provide Emergency Shelter and Services to Homeless	1000 units of service
Suitable Living Environment			
Create Economic Opportunity			
HUD Outcome		Strategies:	Resources to be used:
Availability/Accessibility	X	Good Shepherd/WIHN; Domestic Violence Shelter & Services; Coastal Horizon Youth Shelter	CDBG; CoC; ESFP; Private Funds; General Funds
Affordability			
Sustainability			
HUD Objective		Objective:	Key One-Year Targets
Decent Housing	X	Provide Case Management and Services to Transition Homeless to Permanent Housing	200 units of service to transition homeless
Suitable Living Environment	X		
Create Economic Opportunity			
HUD Outcome		Strategies:	Resources to be used:
Availability/Accessibility	X	Good Shepherd/WIHN; Domestic Violence Shelter & Services; Coastal Horizon Youth Shelter; United Way 10 Year Plan; First Fruit; LINC; AMEZ/Mercy House	CDBG; HOME; CoC; ESFP; Private Funds; General Funds; US DOJ
Affordability			
Sustainability			
HUD Objective		Objective:	Key One-Year Targets
Decent Housing	X	Develop Transitional and Permanent Supportive Housing opportunities for homeless and special needs populations	1 unit
Suitable Living Environment	X		
Create Economic Opportunity			
HUD Outcome		Strategies:	Resources to be used:
Availability/Accessibility	X	Revise Rental Rehab Loan Program to make funds available for scattered site and small scale non-profit and affordable housing	HOME; NCHFA; Private Funds
Affordability	X		
Sustainability	X		
HUD Objective		Objective:	Key One-Year Targets
Decent Housing	X	Increase opportunities for successful homeownership and or prevent homelessness through housing counseling, financial literacy, program service	175 households receive counseling/education program service
Suitable Living Environment			
Create Economic Opportunity			
HUD Outcome		Strategies:	Resources to be used:
Availability/Accessibility		City of Wilmington Homebuyer Education & Counseling;	HOP fees; General Funds;
Affordability	X		
Sustainability			

1. The lack of affordable housing, low paying service jobs and high economic volatility make securing affordable housing increasingly difficult for citizens. Moreover, these conditions threaten the stability of neighborhoods. Through the City's Strategic Plan, Welcoming Neighborhoods and Public Spaces Focus Area and the Five-Year Consolidated Plan the following priorities and objectives have been established:

- Clean, safe, attractive, diverse and convenient neighborhoods, that include a mix of residential, commercial, community facilities and recreation, and open space;
- Support permanent supportive housing for chronically homeless, frail elderly, disabled, and other special needs populations;
- Affordable homeownership for low-income households;
- Affordable workforce housing, especially for households from 80 to 120 percent of median income;



- Increasing stock of affordable housing stock by investing in new construction and rehabilitation;
- Preserve stock of affordable housing; and
- Provide affordable rental housing for those living in poverty, especially families, elders and the disabled.

To ensure the maximum benefit and leverage from limited resources, including entitlement funds and NCHFA Tax Credits, community development staff recommends projects be considered for funding over two or more years. The Annual Action Plan for FY2013-14 adopted by City Council included projects identified for multi-year funding. The FY2015-16 Plan identifies projects for allocation of future entitlement funds contingent upon the availability of funds. In addition, the award of City funds is conditional upon the sub-recipient, grantee, developer, and/or contractor successfully securing financing and/or matching funds, and meeting all other requirements for funding from the City. The Annual Action Plan for FY2015-16 reflects the carryover of funds allocated for multi-year projects that are underway and near completion, along with the allocation of anticipated FY2015-16 entitlement funds.

## **AFFORDABLE HOUSING**

### **AFFORDABLE RENTAL HOUSING**

The following initiatives address this priority:

#### **Affordable Rental Housing:**

- Shipyard Village. Beacon Management Corporation submitted an application in FY14-15 requesting \$850,000 in City entitlement funds towards this \$12,157,378 multi-family rental project. The proposed project will construct 96 one, two, and three bedroom apartments at 2821 Carolina Beach Road. The project submitted for review for the AAP14.15 was unsuccessful in applying for LIHTC through the NCHFA. As a result the developer revised the project in accordance with the LIHTC 2015 application guidelines (QAP). The original project proposed to construct 96-units, the revised project plans for 72 units. The developer is requesting the same amount of funding from the City of Wilmington HOME funds - \$850,000. City CD staff members reviewed the revised project which proposes to construct 72 units for a project totaling \$9,484,921. City funding is contingent upon the project receiving other finances and completing all requirements for permitting and development. The project meets the requirements for HOME funding – a market analysis shows demand, the project is consistent with City plans; the site and building design incorporate energy efficiency, green and recreation space, quality design and construction materials; and the project is located near amenities. The developer has demonstrated experience and capacity to successfully complete the project. The project will provide affordable rental housing opportunities for working families and individuals. Rents are estimated to range from \$272 to \$730, excluding utilities, for units from 834 to 1368 square feet. This project will serve households earning 30 to 60 percent of area median income. The operating budget allows for repayment of a

portion of City funds over 20 years, estimated to be approximately \$148,576 or 17.5% of the total funds invested. Multi-year funding is recommended, conditional upon available HOME funds, with the project receiving \$273,948 in FY2014.15 HOME funds, and additional funding of \$226,573, FY2015.16 HOME and \$349,479, FY2016.17 HOME for a total of \$850,000. This project is a multi-year funded project with a carry-over from FY14-15.

- Dawson Street Lofts. Originally submitted in FY14-15 and recommended for \$200,000 funding conditional upon receipt of other financing needed to develop the project. The Wilmington Housing Authority/Housing Economic Opportunities has withdrawn this project for funding at this time.
- Willow Pond. Wilmington Housing Finance and Development (WHFD) is requested \$665,674 as a portion of financing for a \$2,348,420 substantial rehabilitation of the 40 unit Willow Pond Apartments, located at 3508 Frog Pond Place. Originally built in 1994, the complex consists of two and three bedroom apartments in six, two story buildings. The units range from 850 to 1000 square feet and currently rent for \$480 to \$525, excluding utilities, for 34 restricted units. Six units rent at market rate \$600 to \$650, excluding utilities. After the rehabilitation WHFD anticipates a \$25 per month increase in rent. The project has demonstrated market demand and the increased rents are competitive with comparable affordable and market rate developments. The project will remain affordable and is subject to a 20 year affordability period. The proposed rehabilitation will upgrade plumbing, HVAC, windows, doors, roof, and upgrades to interior and exterior finishes. The project specifications include quality materials and will improve energy efficiency. The construction will relocate current residents within the complex, rehabilitating one building at a time. The developer and management organization has recognized experience and capacity to successfully complete the project. The operating budget does not provide for repayment of City HOME funds; however, net cash-flow projections may permit limited repayment of a portion of City funds. Multi-year funding totaling \$665,674 is recommended, conditional upon available HOME funds, with the project receiving funds as follows: \$332,837 HOME FY2014-15 carry-over funds, and HOME funds from FY2015-16, \$168,920 and FY2016-17, \$168,917. This project is a multi-year funded project with a carry-over from FY14-15.
- Cape Fear Regional Community Development Corporation (CFRCDC) will continue a multi-year approach for the acquisition and rehabilitation of up to seven properties with the carry-over of \$222,774.47 HOME funds and \$52,995.40 in proceeds. CFRCDC will manage rental of these properties. Houses can also be sold to qualified homebuyers if identified prior to development of the house. Currently, CFRCDC is working on an affordable rental project - \$181,000 acquisition/rehabilitation of a unit on 19<sup>th</sup> Street.

- AMEZ Housing Community Development Corporation will continue housing development with the carry-over of \$173,302 HOME funds and \$250,551 in proceeds for the development of up to five units of rental housing. AMEZ HOUSING CDC has ownership of properties at 910 S. 5<sup>th</sup> Street, and 905, 909, 913 Grace Street. Development and management of affordable rental housing will address a high priority need within the city. That being noted, houses can also be sold if qualified homebuyers are identified prior to completion of construction of the house.

## **AFFORDABLE HOMEOWNERSHIP/ PERSERVE AFFORDABLE HOUSING STOCK**

This priority includes the following objectives:

- **Community Land Trust:** The City continues to support the Cape Fear Community Land Trust (CFCLT) formerly, the Cape Fear Housing Land Trust (CFHLT) with a recommended allocation of \$21,767 in FY2015-16 General Funds. These funds will support the CFCLT Place Making initiative in the SouthSide neighborhood. The agency continues to seek land for the development of affordable housing using the land trust model; therefore, future applications for acquisition and/or construction funding are anticipated. Since the Land Trust's inception the City has provided \$283,147 to the Land Trust for administrative cost and to support the formation, incorporation, and development of organizational capacity. In a prior year the City provided \$220,000 in HOME funds to the Land Trust, through Cape Fear Habitat for Humanity (CFHFH) as fiscal agent, for the acquisition of 2.178 acres of land for development of eight units – Gideon Point. The City also supported the Land Trust with conveyance of a house at 808 North Sixth Street and \$57,400 loan for the rehabilitation of the house. Currently, this house is a rental unit managed by the Land Trust. The Land Trust is successfully holding nine properties in trust and receiving rental income and ground lease fees.
- **Cape Fear Habitat for Humanity:** Using the Habitat model Cape Fear Habitat for Humanity (CFHFH) provides housing for families earning 30 to 60 percent of the area median income (AMI). CFHFH constructs about 12 houses per year and has no problem finding qualified homebuyers using Habitat underwriting and intensive case management. Often Habitat homebuyers pay less for the mortgage than they were paying for rent. Habitat will carry-over \$133,988 in prior year HOME funds to continue to acquire lots for in-fill reconstruction or houses for rehabilitation of up to six units of housing. Moreover, when feasible the City will provide City-owned foreclosed property to CFHFH. The City invested in the Cornerstone Cottages and Corbett Street projects to produce 36 units of affordable housing.
- **CHDO Proceeds:** HUD allows for the creation of Community Housing Development Organizations (CHDOs) to develop affordable housing for low to moderate income households within lower income communities. CHDO's are non-profit organizations

with representation from low to moderate income individuals or communities serving on the board of directors. AMEZ HOUSING CDC and Cape Fear Regional Community Development Corporation (CFRCDC) are currently the only certified CHDOs in the city. CHDO's may use sales proceeds from the development of housing for operating and future development. As of February 28, 2015, the City was holding \$303,546 in proceeds available for use by AMEZ HOUSING CDC and CFRCDC.

- **CHDO Set-aside:** HUD requires that at least 15 percent of HOME funds be set-aside for use by CHDOs. To date \$3,019,446 has been set-aside; this is more than the required cumulative set-aside of \$1,604,350 as of FY2014.15. HOME funds will be set-aside in the future as needed to meet the requirements and provide funding for CHDO projects.
- **Home Ownership Program (HOP):** The City will continue to administer the HOP program to provide zero interest, second mortgages for eligible households. This program uses CDBG, HOME, and General Funds. The program serves households earning up to 80 percent of area median income (AMI) with federal funds and up to 120 percent AMI with General Funds. In FY2015-16, \$154,000 in program income is anticipated for HOP. In addition, \$166,574 in FY2015-16, CDBG funds will be allocated to HOP. As of February 28, 2015, \$491,386 CDBG funds were available for HOP loans, along with \$3,207 in HOME funds and \$463,448 in Revolving Loan Balance. Some or all of these funds will be expended before the end of the FY. The funding available will support approximately twenty- six loans at an average amount of \$50,000.
- **Workforce Housing:** In FY2015-16, efforts continued to market the City's HOP program and encourage the purchase of affordable housing within the city limits by households earning between 80 and 120 percent of the Area Median Income. The success of the HOP workforce housing program has depleted the general funds available. Approximately \$372,180 in loan repayments is available in the revolving loan fund for workforce housing loans as of February 28, 2015. Once these funds are loaned it will take some time before the repayments accumulate for more loans. Without an infusion of general funds the HOP program will be limited in the number of workforce housing loans that can be provided, it is estimated that only eight workforce loans will be closed with the available funds.
- **Down Payment Assistance:** HOME funds and revolving loan funds may be used for down payment assistance in those instances where such assistance is needed to make housing affordable for low-to-moderate income households, especially those at 60 percent and below area median income. Rising insurance cost impact the mortgage payment and make housing unaffordable. An analysis is prepared to determine the amount of down payment assistance needed to make the mortgage affordable. The down payment assistance is provided as a forgivable loan with a lien on the property. In FY2015-16, \$20,788 of prior year HOME funds is recommended to carry-over for down payment assistance.

- **Homeownership Education and Counseling:** In conjunction with the HOP program and the Workforce Housing initiatives the City offers a six-hour homebuyers' workshop provided each month, or on request, by the Community Development Housing staff. The Community Development Analyst assigned to housing loans is a HUD Certified Housing Counselor.

## PRESERVE AFFORDABLE HOUSING STOCK

The City will continue to utilize CDBG and HOME funds to make low-interest loans to rehabilitate sub-standard housing citywide, for low-income families, elders and people with disabilities.

- **Foreclosed Properties Disposition and Rehabilitation:** Prior year CDBG funds in the amount of \$23,588 will be carried forward to be used to board-up, re-key locks, and make minor repairs and clean-up City-owned foreclosed properties. The method for disposition of the properties is determined after taking into consideration the outstanding loan balance, financing and resale restrictions, and potential for resale, redevelopment and/or conveyance to non-profits with the goal to ensure continued availability as affordable housing. Unfortunately the City is experiencing an increase in foreclosure of properties in the City housing loan portfolio. In almost every case the foreclosure results from the death of the homeowner. In order to return these properties to affordable housing and maintain the stability of the neighborhoods the City is seeking homebuyers, and non-profit and for-profit developers to acquire these properties. Deed restrictions require the properties remain affordable housing.
- **Housing Rehabilitation Program:** Low or no interest loans are made available to low income homeowners in need of extensive housing rehabilitation. Loan payments are based on income, the ability to repay, and may be deferred. In the last fiscal year the guidelines for the Owner-Occupied Housing Rehabilitation Loan Program have been revised to make the underwriting criteria less subjective and improve performance. A copy of the approved revised underwriting guidelines is included in the appendix. While the need for this program exists as evidenced by the CHAS data which reports that for renter households with incomes greater than 30%- but less than 50% of AMI, 81.4 percent have a housing problem. The data is similar for lower income renters and homeowners. Residents in owner-occupied housing often do not have clear title to the property and owe back property taxes and other liens and judgments that make them ineligible for the City's Housing Rehabilitation Loan Program. For FY2015-16, \$185,000 in CDBG Program Income is projected for the Housing Rehabilitation Loan Program. As of February 28, 2015, \$404,487 in loan repayments and \$100,000 in General Funds is available for loans. In January a change in the loan program outreach was implemented. Instead of taking applications on a continuous basis, an application period from December –March 20<sup>th</sup>, 2015 was established for accepting applications. In conjunction with this owner-occupied households located within distressed census tracts were identified and approximately 5,000 postcards were mailed to those households informing them of the Owner-

Occupied Housing Rehabilitation Loan Program. This change in program administration is intended to improve program efficiency in identifying eligible and viable loan projects and assigning work load. It is anticipated that all funds available as of the date of the writing of this plan will be encumbered for loans processed in FY14-15.

- **Rental Rehabilitation:** The Five-Year Plan identifies the need for affordable rental housing for lower-income citizens, especially special populations, homeless and ex-offenders, as a high priority need. Moreover, the Consolidated Plan and TRI-HIC identified the need for Permanent Supportive Housing as a high priority. To help address this need the Rental Rehabilitation/Rental Incentive Loan program offers incentives to investors and non-profit developers to renovate, purchase/renovate, or develop new housing units for lower-income households. The intent of the program is to bring deteriorated or dilapidated housing units back into the rental housing stock; therefore all units will be vacant. The program also allows for reconstruction of rental units on in-fill lots. The program gives priority to the development of Permanent Supportive Housing. Borrowers will have access to up to \$100,000 in loans per unit. Funds may be used for acquisition, renovation hard costs, and for reasonable soft costs necessary to close the loan. The terms of the loan are contingent upon the priority need and operating pro-forma as described in the underwriting guidelines. The project must be maintained as affordable rental housing for lower-income tenants for 15 years, 20 years if new construction. Rents paid by tenants shall not exceed HOME Program Rents. As of February 28, 2015, \$66,683 in revolving loan funds are available for rental rehabilitation
  - Neighborhood Revitalization Initiative (NRI): In FY2012-13, Cape Fear Habitat For Humanity (CFHFH) and Wilmington Area Rebuilding Ministry (WARM) proposed a target neighborhood strategy in the Southside area. This NRI proposal will support WARM's efforts to make critical home repairs to up to 15 eligible homes. CRHFH will focus on the acquisition and rehabilitation or reconstruction of up to six homes in the area for sale to low-income homebuyers. Habitat will also make major home repairs to up to five owner occupied homes. The program has been modified to allow for projects city-wide with a priority on projects in the SouthSide. The project has experienced delays in implementation and as of February 28, 2015, \$66,241 has been expended; therefore, it is recommended that \$164,759 CDBG funds carry-over to complete the project. After completion of the aforementioned projects and expenditure of the allocated funds the agency will be eligible to submit proposals for additional projects as City funds are available.
  - Grants for lead paint control, voluntary relocation, and demolition are also available, in limited amounts, to assist home owners and sustain decent, safe neighborhoods
2. Federal, State and local public and private sector resources that are reasonably expected to be available to be used to address identified needs for the period covered by the Action Plan:

• CDBG and HOME Entitlement funds	\$ 1,321,333
• CDBG and HOME Program Income	\$ 613,700
• Carryover of CDBG and HOME Funds from prior years	\$ 2,847,294
• City General Funds and Revolving Loan Funds for housing and economic development	\$ 1,351,891
• HUD Continuum of Care	\$ 747,823
• Other Federal Funds (ESG, EFSG, DOJ, Dept Ed., HHS, NEA, VA , USDA, etc...)	\$ 2,040,139
• US LIHTC	\$ 5,623,537
• State Funds (NCHHS, NCHFA, GCC, Pub Instruction, etc....)	\$ 1,721,050
• Private funds (Foundations, Events, Business, Donations, etc..)	\$ 7,905,559
• New Hanover County Funds (DSS, NHCS, General Fund)	\$ 39,000
• City General Funds	\$ 526,381

## Needs of Public Housing

1. Describe the manner in which the plan of the jurisdiction will help address the needs of public housing and activities it will undertake during the next year to encourage public housing residents to become more involved in management and participate in homeownership.
2. If the public housing agency is designated as "troubled" by HUD or otherwise is performing poorly, the jurisdiction shall describe the manner in which it will provide financial or other assistance in improving its operations to remove such designation during the next year.

### Action Plan Public Housing Strategy Response:

The Wilmington Housing Authority's (WHA) focus will include continued efforts to revitalize and upgrade its obsolete housing while adding to its overall inventory by constructing new units to better meet the ever-growing need for affordable housing in the city of Wilmington. Some of the current specifics include: the renovation of 77 units of existing public housing at Rankin Terrace, which is currently underway; 8 units of supportive housing in front of the Jervay Community in the Southside; plans to purchase smaller apartment complexes to help integrate affordable housing into the wider community with a smaller footprint; and, to help deconcentrate poverty out of our inner-city. In 2014, WHA completed the renovation of 32 public housing units at their Eastbrook Development off of Princess Place Drive near Creekwood on the Northside. In addition to WHA's more substantial new construction and renovation efforts, there will continue to be major upgrades to their housing stock in the areas of plumbing, electrical, HVAC, laundry facilities and landscaping.

Regarding our residents, WHA will continue to encourage and assist the Resident Organizations for our Public Housing sites to become more involved in management initiatives and to experience the pride of homeownership. In addition, WHA is working to encourage Resident Organizations where none currently exist. WHA endeavors to empower resident leaders to become even more effective representatives of their communities.

Through various in-house programs such as Family Self-Sufficiency (FSS) and Resident Opportunities and Self-Sufficiency (ROSS), and alongside our participating service providers, WHA will provide resources and guidance that will assist residents to work toward self-sufficiency. WHA is taking advantage of resource centers on site to offer more programming for residents, particularly at Creekwood, Houston Moore, and Hillcrest. The CORE Center (Community, Opportunity, Resource, Recreation, Employment and Education) at Hillcrest will become a non-profit to take advantage of funding with a Program Coordinator to be brought on by the middle of summer.

Finally, The WHA Section 8 program will continue to pursue additional vouchers to assist more families. WHA has been successful in the pursuit of targeted population vouchers, such as the Veterans Administrative Supportive Housing (VASH) vouchers and Family Unification Program (FUP) vouchers.

## **Barriers to Affordable Housing**

1. Describe the actions that will take place during the next year to remove barriers to affordable housing.

### **Action Plan Barriers to Affordable Housing Response:**

- Availability of developable land is a major barrier to affordable housing. Subsidizing nonprofit housing developers to purchase property and build single-family, stand-alone homes has become increasingly expensive. The City will look more toward providing financial incentives for projects with multiple units. This could be accomplished through funding one facet of the project, such as acquisition, infrastructure or impact fees.
- HUD will no longer assist with financing, through Continuum of Care, for transitional housing. Without those resources to provide transitional housing the City will attempt to address the need for transitional housing with CDBG, HOME and General Fund resources. Notwithstanding the limited resources available, transitional housing continues to be a viable option for homeless individuals and families that do not have permanent supportive housing readily available. That said, the City will continue to advocate for support of such projects as the M.E. Roberts Memorial (transitional housing) Center, a re-entry program for ex-offenders.



- NIMBY (Not in My Backyard) attitudes when coupled with the limited availability of developable land makes affordable housing projects subject to opposition from neighboring property owners expressing concern over the perceived negative impact of affordable housing developments on property values. Concentrated poverty within certain census tracts and neighborhoods suggest the inequity in access to affordable housing throughout the city. The City's Homebuyer Opportunities Program (HOP) allows homebuyers to select a home in any neighborhood within the city limits.
- Increase in number of households in poverty, especially African American families, is a barrier to affordable housing as these households struggle to maintain decent housing within their budget. Development of affordable housing and housing subsidy are necessary to ensure access to decent housing for low-income households. Over 60% of Wilmington households with incomes 0-80% AMI experience housing cost burden.
- Increasing cost of housing over time compared to wages. Over the period from 2000 -2009 median housing values increased by 71 percent in the city, greatly outpacing increases in median income over the same period at 26 percent.
- Increased demand for rental property drives up the market rate for rental property contributing to the housing cost-burden for low income renters.
- Approximately half of the housing units in Wilmington were constructed prior to 1979, thus requiring lead-paint remediation and abatement. The cost of lead-hazard control increases the cost of housing rehabilitation for low-to-moderate income homeowners.
- Finally, the elimination of the NC Low Income Tax Credit (LIHTC) reduced the resources available to support development of affordable rental housing for seniors and families. The City will continue to provide gap financing for projects applying for Federal LIHTC and other funding. Additionally, the HOP program provides second mortgages at no/low interest, along with down payment assistance when available to help low-to-moderate income and workforce income households purchase affordable housing, including foreclosed units.

## **HOME/ American Dream Down payment Initiative (ADDI)**

1. Describe other forms of investment not described in § 92.205(b).
2. If the participating jurisdiction (PJ) will use HOME or ADDI funds for homebuyers, it must state the guidelines for resale or recapture, as required in § 92.254 of the HOME rule.

3. If the PJ will use HOME funds to refinance existing debt secured by multifamily housing that is being rehabilitated with HOME funds, it must state its refinancing guidelines required under § 92.206(b). The guidelines shall describe the conditions under which the PJ will refinance existing debt. At a minimum these guidelines must:
  - a. Demonstrate that rehabilitation is the primary eligible activity and ensure that this requirement is met by establishing a minimum level of rehabilitation per unit or a required ratio between rehabilitation and refinancing.
  - b. Require a review of management practices to demonstrate that disinvestments in the property has not occurred; that the long-term needs of the project can be met; and that the feasibility of serving the targeted population over an extended affordability period can be demonstrated.
  - c. State whether the new investment is being made to maintain current affordable units, create additional affordable units, or both.
  - d. Specify the required period of affordability, whether it is the minimum 15 years or longer.
  - e. Specify whether the investment of HOME funds may be jurisdiction-wide or limited to a specific geographic area, such as a neighborhood identified in a neighborhood revitalization strategy under 24 CFR 91.215(e) (2) or a federally designated Empowerment Zone or Enterprise Community.
  - f. State that HOME funds cannot be used to refinance multifamily loans made or insured by any federal program, including CDBG.
4. If the PJ is going to receive American Dream Down payment Initiative (ADDI) funds, please complete the following narratives:
  - a. Describe the planned use of the ADDI funds.
  - b. Describe the PJ's plan for conducting targeted outreach to residents and tenants of public housing and manufactured housing and to other families assisted by public housing agencies, for the purposes of ensuring that the ADDI funds are used to provide down payment assistance for such residents, tenants, and families.
  - c. Describe the actions to be taken to ensure the suitability of families receiving ADDI funds to undertake and maintain homeownership, such as provision of housing counseling to homebuyers.

**Action Plan HOME/ADDI Response:**

The City of Wilmington does not qualify for ADDI funds.

The City of Wilmington is not currently refinancing debt secured by multifamily housing that is being rehabilitated with HOME funds.

## **Subject: Recapture of Funds for HOME-Assisted Homeownership Housing**

In FY2012-13 HUD Field Office staff reviewed the City of Wilmington Recapture/Resale Policy in accordance with federal regulations. The field office has approved the following policy which was adopted on October 2, 2012, by City Council.

### City of Wilmington Community Development Policy for

#### Ensuring Affordability for Low-to-Moderate Income Homebuyers

##### I. Purpose

When HOME Investment Partnership program funds are used to assist homebuyers, the regulations require that the unit remain affordable regardless of any subsequent resale. The period of affordability is determined by a schedule set forth in 24 CFR 92.254.

Homeownership Assistance HOME amount per unit	Minimum period of affordability in years
Under \$15,000	5
\$15,000 - \$40,000	10
More than \$40,000	15

##### II. Background

The City of Wilmington (City) is a participating jurisdiction in and recipient of HOME Investment Partnership program funds to be used by the City to expand the supply of decent, safe, sanitary, and affordable housing available to low-income and very low-income residents.

The City has established the Recapture and Resale policies in accordance with HUD guidance provided in CPD Notice 12-003. These policies ensure that properties developed with HOME funds for homebuyers remain affordable to a reasonable range of low-income homebuyers, or that the HOME investment in affordable housing are recaptured upon sale of the property for use in other HOME eligible housing activities.

The City has elected to use “Recapture” as the primary method of ensuring affordability for low-to-moderate income homebuyers; however, “Resale” provisions will be used for HOME funds used for acquisition of land held in a Community Housing Land Trust. That said, with the exception of Community Housing Land Trust, all Community Development Housing Organizations, and sub-recipients receiving City HOME funds and other community development funds to provide affordable housing are required to use “Recapture” provisions to ensure affordability.

The City will use HOME funds to provide direct HOME subsidies to eligible Low-to-Moderate Income homebuyers through the City's low interest Second Mortgage Purchase Program and through sub-recipients including, but not limited to, Community Housing Development Organizations (CHDO), and other affordable housing developers.

### III. Definitions:

**Direct HOME subsidy** is the amount of HOME assistance, including any program income that enables the homebuyer to buy the unit. The direct subsidy includes HOME funds used for down payment, closing cost, interest subsidies, or other HOME assistance provided directly to the homebuyer

In addition, direct subsidy includes any assistance that reduced the purchase price from fair market value to an affordable price. If HOME funds are used for the cost of developing the unit and the unit is sold below fair market value the difference between fair market value and the purchase price will be added to the HOME subsidy amount. In such cases, the direct HOME subsidy will be provided to the homebuyer as a forgivable subordinate mortgage lien held by the City.

**Purchase price** as described herein refers to the amount of the affordable mortgage to be repaid by the eligible low-income homebuyer. The difference between the purchase price and contract sales price or fair market value, whichever is less, will be the direct HOME subsidy to the homebuyer.

**Net proceeds** are the funds remaining from the sale of the property by the original homebuyer less the repayment of the outstanding balance on any superior mortgage and any closing cost.

**Low-income homebuyers** are individuals and households that meet the HUD income limits for HOME Investment Partnership Program as published annually. HOME funds are used for households at or below 80 percent of the HUD published area median income (AMI).

**Affordable housing** is defined by HUD as housing cost that does not exceed 30 percent of household gross income. Generally, for owner-occupied housing it may be characterized as housing that can be purchased for no more than 2.5 to 3 times the total annual household income.

### IV. Recapture

The City will use restrictions in the promissory note and deed of trust to enforce the recapture provisions of the HOME program found at 24 CFR 92.254 (a)(5)(ii). In accordance with applicable recapture provisions the City requires the recapture of its HOME-funded homeownership housing assistance from net sales proceeds when the original homebuyer sells the property during the affordability period. Any net proceeds in excess of the original HOME subsidy will go to the homeowner. The City will recapture

100 percent of the net proceeds up to the amount of the HOME subsidy. In the case where there are insufficient net proceeds available at sale to recapture the entire direct HOME subsidy provided to the homeowner, the City can only recapture what is available from net proceeds. The City will limit the amount to be recaptured to the net proceeds, as defined herein, available from the sale of the property.

## V. Resale

The City will use Resale provisions as required when HOME funds are used to provide subsidy to the developer that will not result in a Direct HOME subsidy to the homebuyer. “Resale” provisions will be used for HOME funds used for acquisition of land held in a Community Housing Land Trust, which constitutes a developer subsidy. Under the Land Trust model the land acquired with HOME funds will be held in trust and not conveyed to the homebuyer. A long-term ground lease between the Land Trust and Homebuyer will establish long-term affordability of the property, and the distribution of value of improvements between the Land Trust and homebuyer upon sale of the housing unit. The ground lease ensures that the original homeowner receives a fair return on investment and that the property is sold at a price that is affordable to a reasonable range of low-income buyers. In addition, the City will utilize deed restrictions to ensure continued affordability, along with a deferred promissory note and deed of trust, with covenants and deed restrictions as enforcement mechanism.

The following “Resale” provisions apply for Community Housing Land Trust:

### Sale of Improvements to Property held in Land Trust

Homebuyers purchasing homes in a Community Housing Land Trust purchase the improvements and lease the land, therefore these homebuyers are referred to as homebuyer/lessee or homeowner/lessee upon purchase of housing unit.

Improvements include all buildings, structures, fixtures, and other improvements purchased by the homebuyer/lessee or constructed or placed by the homeowner/lessee are the property of the homeowner/lessee.

The homeowner/lessee may transfer interest in the improvements only to the Community Housing Land Trust or another low-income homebuyer/lessee. Upon notice of homeowner/lessee intent to sell, the CHLT has the option to purchase the improvements. This option to purchase is intended to further the purpose of preserving the affordability of the improvements for succeeding low-income homebuyers.

The seller’s resale price shall be determined by the resale formula stipulated in their ground lease. The formula will allow the homeowner/lessee’s to sell their home for their original purchase price, plus 25 percent of the increase in market value of the entire property (land and improvements combined) as determined by appraisal at time of notice of intent to sell minus the initial appraised value at purchase. The appraisal shall meet Federal Housing Administration (FHA) standards.

The CHLT does not recapture the other 75 percent of the increase in market value, but rather this value “remains with the property”, thereby ensuring continued affordability for succeeding homebuyers. This formula allows the homeowner/lessee to receive a fair return on increase in value to the property while maintaining continued affordability for subsequent homebuyers. Appraisal is an accepted method for determining value of land and improvements. Appraisal is commonly used by lenders to determine property value in real estate transactions.

Example: A homebuyer/lessee purchases a home in a Community Housing Land Trust (CHLT) for a purchase price of \$80,000. The property is appraised at a market value of \$110,000. Five years later the homeowner/lessee notifies the CHLT of intent to sell. The improvements are appraised at \$130,000. The homeowner/lessee is entitled resell their home at a price of \$85,000.  $((\$80,000) + (.25 * (\$130,000 - \$110,000)))$ .

### Resale or Transfer of Improvements

Upon purchase of improvements from the homeowner/lessee the CHLT will re-sell the improvements and lease the land to another low-income homebuyer at purchase price that is affordable to a reasonable range of low-income homebuyers. A reasonable range of low-income homebuyers consists of households earning between 60 and 80 percent of the Area Median Income. The City’s original deed restrictions, which run with the land, will require the CHLT to always re-sell the home to buyers earning at or less than 80 percent of the Area Median Income.

The CHLT may provide additional subsidy in the form of down-payment assistance, and /or deferred subordinate mortgage to ensure affordability. The amount of subsidy will be determined by the difference between return on improvements and the fair market value as determined by appraisal at time of resale.

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## HOMELESS

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## Specific Homeless Prevention Elements

\*Please also refer to the Homeless Needs Table in the Needs.xls workbook.

1. Sources of Funds—identify the private and public resources that the jurisdiction expects to receive during the next year to address homeless needs and to prevent homelessness. These include the McKinney-Vento Homeless Assistance Act programs, other special federal, state and local and private funds targeted to homeless individuals and families with children, especially the chronically homeless, the HUD formula programs, and any publicly-owned land or property. Please describe, briefly, the jurisdiction's plan for the investment and use of funds directed toward homelessness.
2. Homelessness—in a narrative, describe how the action plan will address the specific objectives of the Strategic Plan and, ultimately, the priority needs identified. Please also identify potential obstacles to completing these action steps.
3. Chronic homelessness—The jurisdiction must describe the specific planned action steps it will take over the next year aimed at eliminating chronic homelessness by 2017. Again, please identify barriers to achieving this.
4. Homelessness Prevention—The jurisdiction must describe its planned action steps over the next year to address the individual and families with children at imminent risk of becoming homeless.
5. Discharge Coordination Policy—Explain planned activities to implement a cohesive, community-wide Discharge Coordination Policy, and how, in the coming year, the community will move toward such a policy.

**Action Plan Homeless Prevention Response:**

1. Sources of Funds – identify the private and public resources that the jurisdiction expects to receive during the next year to address homeless needs and to prevent homelessness. These include the McKinney-Vento Homeless Assistance Act programs, other special federal, state and local and private funds targeted to homeless individuals and families with children, especially the chronically homeless, the HUD formula programs, and any publicly-owned land or property. Please describe, briefly, the jurisdiction's plan for the investment and use of funds directed toward homelessness.
2. Homelessness – in a narrative, describe how the action plan will address the specific objectives of the Strategic Plan and, ultimately, the priority needs identified. Please also identify potential obstacles to completing these action steps.
3. Chronic homelessness- The jurisdiction must describe the specific planned action steps it will take over the next year aimed at eliminating chronic homelessness. Again, please identify barriers to achieving this.
4. Homelessness Prevention- the jurisdiction must describe its planned action steps over the next year to address the individual and families with children at imminent risk of becoming homeless.

5. Discharge Coordination Policy – Explain planned activities to implement a cohesive, community-wide Discharge Coordination Policy, and how, in the coming year, the community will move toward such a policy.

**Specific Homeless Prevention Elements Response:**

1. Sources of Funds for Homelessness:

• HUD Continuum of Care Funds	\$ 747,823
• Emergency Food and Shelter Grants	\$ 103,807
• Emergency Shelter Grants (through the State)	\$ 171,132
• City CDBG and HOME	\$ 165,903
• Other Federal Funds (DOJ, HHS, etc...)	\$ 703,127
• Other State Funds (VOCA, DHHS, etc...)	\$ 1,142,696
• New Hanover County Funds (DSS, General Fund)	\$ 94,000
• Local Private Funding (foundations, fees, donations, events, business revenues , etc)	\$ 3,616,403
• City General Funds	\$ 293,720

2. Homelessness:

In order to coordinate activities to meet the needs of individuals and families who are experiencing homelessness and apply for federal funds, community partners come together to form a Continuum of Care. The Cape Fear area (New Hanover, Brunswick, Pender) receives approximately \$747,823 in Continuum of Care (CoC) funds and \$171,132 in Emergency Shelter Grant funds to support homeless programs, including emergency shelter, transitional housing, permanent supportive housing, and short-term rental assistance programs. Grants to CoCs are administrated by the U. S. Department of Housing and Urban Development (HUD). One of the requirements for receiving CoC funding is collection and maintenance of data on homeless clients in a national database HMIS (Homeless Management Information System). In addition, an annual Point In Time survey is conducted to count sheltered and unsheltered homeless in the region.

Effective January 2015, the lead agency for the Cape Fear area CoC is the Lower Cape Fear Council of Governments (CFCOG). In this role CFCOG provides a staff position to coordinate the CoC application process and convene membership of the CoC through the Tri- HIC (tri-county Homeless Interagency Council) and coordinate with the HMIS Administrator to ensure accurate data collection, compilation and reporting. The CFCOG meets the expanded requirements of the HEARTH Act to ensure the CoC is compliant in administering federal funds received and HMIS requirements. The City of Wilmington is a member of the Tri-HIC along with New Hanover County DSS, area homeless shelters, WHA, affordable housing providers, United Way, NC Veterans Council, and others.



From 2006 to 2008, the City of Wilmington, New Hanover, Brunswick and Pender Counties worked together to develop the *10-Year Plan to End Chronic Homelessness and Reduce Homelessness in the Cape Fear Region*. The approved 10-Year Plan was implemented on May 20, 2008 under the direction of the United Way of the Cape Fear Area. The plan has focused on reducing homelessness through implementation of strategies related to prevention and engagement, services and support, permanent housing, and data collection and evaluation.

### **Background:**

Under the leadership of the City of Wilmington, New Hanover County and United Way, the Cape Fear area launched a *10 Year Plan to End Chronic Homelessness* in 2008. The primary objective was to facilitate large-scale community collaboration to assimilate best practices, make effective use of resources and avoid duplication of efforts – while significantly reducing homelessness.

Development of the Cape Fear 10 Year Plan was accomplished at the urging and in full cooperation with the Continuum. The federally-encouraged, local 10 Year Plan was officially endorsed by the Wilmington City Council, the New Hanover County Board of Commissioners and the Pender County Board of Commissioners. Administrative implementation responsibility for the *10 Year Plan to End Chronic Homelessness* was assumed by United Way in March 2008.

Between 2001 and 2008, 10 Year Plans were the favored federally-recommended process for addressing homelessness on both a statewide and local basis. However, federal recognition of 10 Year Plans as the preferred best-practice was withdrawn in 2009, with passage of the HEARTH Act.

### **10 Year Plan Success Story**

As the 10 Year Plan currently works its way through its 7<sup>th</sup> year of existence, much has been accomplished to reduce local homelessness. Since 2007, overall Point-in-Time Count documented homelessness has been reduced by more than 50%. Chronic homelessness in our three-county catchment area – involving long-term and disabled homeless people – has been reduced by an impressive 70%.

Several critical programs and a number of outside resources were brought to bear by the 10 Year Plan within the Cape Fear area to make this happen.

A \$1.3 million Homeless Prevention and Rapid Re-housing grant served more than 700 homeless and at-risk people in 220 households during the three years of the Great Recession (2009-2012).

Establishment of a dedicated caseworker program (SOAR) in 2010 to represent chronic homeless people in their applications for Social Security disability benefits and/or Supplemental Security Income disability payments and Medicaid has become the

cornerstone project for ending chronic homelessness. SOAR – initially funded through a grant from the Blue Cross and Blue Shield of North Carolina Foundation - has successfully entitled more than 235 clients to mainstream resources and has driven to the community more than \$6 million in cash assistance that can be used for housing, utilities, food and clothing. As the direct result of SOAR's existence, the community will continue to receive more than \$2 million – in client-based income- on a projected annual basis. And SOAR is currently funded by New Hanover Regional Medical Center, SOAR's biggest institutional beneficiary of retroactive Medicaid reimbursements.

In addition, a volunteer, supportive services mentor program called Circles of Support has successfully stabilized 26 previously homeless people in newly-acquired housing. And a 10 Year Plan-led collaboration recently secured a grant from the Cape Fear Memorial Foundation to establish a Homeless Medical Respite Care program to allow homeless people to recuperate effectively and inexpensively while reducing costs to the health care community. With 10 Year Plan support, several new permanent supportive housing developments have come online in Wilmington and elsewhere in the Cape Fear area.

The 10 Year Plan's "Make A Change" donation meter program has been instrumental in discouraging panhandling in downtown Wilmington and has re-directed more than \$1,500 in donations to downtown Wilmington agencies that directly seek to break the cycle of homelessness.

### **Changing Federal Policies**

Following implementation of the local 10 Year Plan in 2008, Congress passed the HEARTH Act of 2009 and immediately afterwards the federal government – through the 19-agency US Interagency Council on Homelessness - created its first ever strategic plan to address homelessness called *Opening Doors*. Ironically, the HEARTH Act and *Opening Doors* marked the end of all federal support for the creation of new 10 Year Plans and the HEARTH Act created statutory changes that need to be addressed over several years by Continua of Care nationwide.

Included in that legislation are mandates that local Continua of Care create formal, structured governance entities to manage all aspects of the HUD grants for homelessness and to ensure effective community participation in the Homeless Management Information System (HMIS) data collection system and comprehensive evaluation of its derivative data.

Released in mid-2010, the federal strategic plan mandated the realignment of the timetables of all existing state and local 10 Year Plans to conformity with the specific *Opening Doors* goals and timetables – ending chronic homelessness and veterans homelessness by the end of 2015 and ending children's and family homelessness by 2020.

## **Current and future Continuum organizational structure: Local Progress towards HEARTH Act-compliance**

With the aforementioned changes, as of FY2014-15, the Continuum as organized and operated had no administrative support organization. It is merely an alliance of service providers led by volunteer leaders and managed by several committees. It is not a 501c (3) non-profit organization. It had no paid professional staff and no formal governance structure other than a set of bylaws. Yet it is responsible for funneling nearly \$1 million annually from HUD to homelessness providers in the three-county Cape Fear area, invested primarily within Wilmington and New Hanover County.

Since 2010, the 10 Year Plan's strategic director, along with the "Continuum's" elected chair, have assumed shared responsibility for facilitating an analysis of options and a discussion about re-organization of the Continuum of Care's structure to bring it into compliance with the new governance provisions required by the HEARTH Act.

HEARTH Act compliance is necessary to assure New Hanover County, the City of Wilmington, and two surrounding counties continue to receive their fair share of federal funds allocated to combat homelessness, as well as possible bonus funding for compliance, innovation and high-performance.

Establishing a Continuum of Care administrator within a governmental entity is a recommended best practice by both HUD and nationally-recognized homelessness research and advocacy organizations. The North Carolina Coalition to End Homelessness (NCCEH) has assisted in the facilitation of Continuum of Care-governmental agency realignment within North Carolina and recommends both governmental entities and large homelessness amelioration foundations as best practices for establishing backbone support for Continua of Care.

In November 2014, following a number of meetings involving the Cape Fear Council of Governments (CFCOG) staff, City staff, United Way management, Continuum elected leadership and the 10 Year Plan's strategic director, a decision was made to create a permanent host administrative agency for the Continuum within the CFCOG. The CFCOG serves as an extension of City government, particularly in response to multi-jurisdictional initiatives similar to the Continuum. That decision was subsequently ratified by the full membership of the Tri-County Homelessness Interagency Council (Continuum) on January 6, 2015.

A CoC Administrator position description was created and subsequently filled on March 9, 2015. The CFCOG secured interim funding for the position from March 9 – June 30, 2015 through a cooperative agreement with the United Way and New Hanover County and through funding expected to be made available through United Way's current HUD ESG grant.

## **Getting to HEARTH Act-compliance: The critical role of the new COC Administrator**

The HEARTH Act recognizes that effective management responsibility for a Continuum of Care is no longer suited to an ad hoc, informal group of service-provider agencies whose members volunteer to take on stringent administrative responsibilities in support of mandated grant management, data-evaluation and administrative support activities. Recognizing this shift in federal policy takes little more than an analysis of the duties and responsibilities expected of a HEARTH Act-compliant Continuum of Care.

Under the HEARTH Act, the local Continuum of Care Administrator (COC Administrator) will have a recurring set of critical annual responsibilities to the City, New Hanover County, the State of North Carolina, to HUD and to the Continuum of Care executive committee and general membership. Although not an all-inclusive list, some of the more important HEARTH Act responsibilities are outlined below:

- The COC Administrator will provide support to the Continuum of Care chair and executive committee and facilitate regular full continuum membership meetings while serving as the administrative principle point of contact for the continuum.
- In addition, continuum staff will manage the grant application process as the Collaborative Applicant for both the HUD Transitional Housing/Permanent Supportive Housing Notice of Funds Availability and the HUD Emergency Solutions Grant (ESG) application process, serving as the Fiscal Agent for the latter grant.
- The COC Administrator will also be responsible for registering the Continuum of Care in the HUD eSNAPS program, completing the annual Grant Inventory Worksheet, overseeing the grant application rating and ranking process and entering the final rankings into eSNAPS.
- The administrator will be responsible for the Annual Homelessness Assessment Report (AHAR) process and the Housing Inventory Chart (HIC) which will involve review of Homeless Management Information System (HMIS) data on occupancy, data completeness and accuracy.
- In addition, the administrator will coordinate the CoC's annual Point in Time (PIT) count, recruiting and training volunteers, coordinating the 24-hour count in late January, reconciling the data collected and submitting it on a timely and accurate basis to the North Carolina Coalition to End Homelessness.
- The COC Administrator will have responsibility for conducting the continuum's Annual Gaps Analysis, which involves reviewing housing inventory and Point in Time count numbers and determining placement rates for Transitional Housing, Permanent Housing and Permanent Supportive Housing.

- COC staff will also provide information on homelessness amelioration to Community Development staff for the City's Consolidated Plan and CAPER activities, participate in state and federal webinars and other appropriate training activities, represent the continuum on the Carolina Homeless Information Network (HMIS) governance monthly meetings and represent the continuum at the National Alliance to End Homeless (NAEH) annual conference in Washington, DC (July) and the North Carolina Affordable Housing Conference in Raleigh (October).
- The COC Administrator will also assure a local system of coordinated assessment remains operational, effective and viable throughout the Continuum of Care catchment area.

**The Future of Funding: City of Wilmington funding for *10 Year Plan to End Chronic Homelessness Operations to Continuum of Care Continuum Operations***

Since 2008, operational funding for the 10 Year Plan has been provided by the City of Wilmington (\$50,000m General Funds annually); New Hanover County (\$25,000 annually) and United Way of the Cape Fear Area (approximately \$37,000 annually).

As part of the efforts to become HEARTH compliant and to ensure continued success of CoC supported organization, and homeless prevention and services the City of Wilmington will provide \$50,000 in General Funds to the CFCOG. These funds will replace the \$50,000 previously appropriated to support the 10 Year Plan. This funding diversion will be effective with FY 2015-16, which begins on July 1, 2015.

Since 2007 the 10 Year Plan has created a solid infrastructure for reducing the prevalence of chronic homelessness and veterans' homelessness throughout our area. Those programs are specifically the above-referenced SOAR caseworker project, Circles of Support, the Homeless Medical Respite Care Strategy Team plus the Homeless Veterans Strategy Team. United Way firmly believes each of these programs must be sustained in order to keep the chronic and veterans homelessness problem from again becoming an acute one in our area. Accordingly, United Way has committed to supporting them – as 10 Year Plan Legacy Programs- once the eventual implementation of a HEARTH Act-compliant Continuum of Care is effected in March 2015 through the 10 Year Plan's initially-projected operational lifespan (ending with FY2017-18), if necessary. In addition, United Way remains responsible for serving as the fiscal agent for the current HUD-funded ESG grant through December 31, 2015.

City of Wilmington Community Development Departmental staff will monitor and evaluate the transition from *10 Year Plan to End Chronic Homelessness* funding to the alternative City model of funding the implementation of a permanent HEARTH Act-complaint Continuum of Care Continuum.

Good Shepherd/WIHN: Working in collaboration, Good Shepherd Ministries and Wilmington Interfaith Hospitality Network (WIHN) are providing emergency shelter and

transitioning the homeless to housing. The shared goal to return homeless shelter guest to health, housing, and stability is realized through an effective partnership. Good Shepherd provides emergency shelter, including day and night shelter, an on-site medical clinic, including mental health, and case management services. WIHN provides emergency shelter and case management services for placement in transitional and/or permanent housing. Together the agencies coordinate services to meet the needs of over 900 individuals annually.

First Fruit: Providing transitional housing to 12 homeless women and 2 families, First Fruit Wilmington Dream Center offers residents a two-year program focused on gaining stable employment and permanent housing. Residents receive case management services, mental health care, food service, transportation assistance, job placement assistance, educational assistance, and life skills training.

Domestic Violence Shelter/Services: Provides shelter and services to victims of domestic violence. In 2014, DVSS provided shelter to 147 families.

Leading Into New Communities (LINC): Providing transitional housing program specifically for the re-entry of homeless individuals returning to the community after incarceration. LINC provides supportive services for employment, education, family reunification, substance abuse, health and mental health. Currently, LINC provides 40 beds for ex-offenders.

#### 5. Discharge Coordination Policy:

According to the 10-Year Plan, every person being discharged from jail, prison, mental health care, or foster care will have a discharge plan that leads to stable housing. The Plan Manager will continue to provide support for Prevention and Engagement Strategy Team efforts to gather and evaluate data as necessary and to ensure the discharge planning process is implemented.

Meanwhile, LINC, with its re-entry program is working with the NC Department of Correction (DOC) on a Transition and Reentry Model for Prisons and Community Corrections. In September 2006, DOC created the Office of Transition Services (OTS).

## Emergency Shelter Grants (ESG)

(States only) Describe the process for awarding grants to State recipients, and a description of how the allocation will be made available to units of local government.

#### **Action Plan ESG Response:**

The City of Wilmington does not receive Emergency Shelter Grants

Community Development Objectives and Strategies			
HUD Objective		Objective:	Key One-Year Targets
Decent Housing		Preserve and maintain public facilities serving low-income, at-risk youth, elderly and special needs population in low-wealth neighborhoods	2 Public Facilities Construction Projects
Suitable Living Environment	X		
Create Economic Opportunity			
HUD Outcome		Strategies:	Resources to be used:
Availability/Accessibility	X	DREAMS Community Arts Center Phase II: Continue Domestic Violence Kitchen Rehab	CDBG
Affordability			
Sustainability			
HUD Objective		Objective:	Key One-Year Targets
Decent Housing		Promote workforce development through education, training, job placement and other linkages to job market	800 units of service provided
Suitable Living Environment			
Create Economic Opportunity	X		
HUD Outcome		Strategies:	Resources to be used:
Availability/Accessibility	X	Phoenix Employment Ministry; LINC New Workforce Program	CDBG; General Funds; US DOJ; Private Funds
Affordability			
Sustainability			
HUD Objective		Objective:	Key One-Year Targets
Decent Housing		Support quality youth programs for at-risk youth	3,500 youth served annually
Suitable Living Environment	X		
Create Economic Opportunity			
HUD Outcome		Strategies:	Resources to be used:
Availability/Accessibility	X	CBGC afterschool, summer; Afterschool, Arts Education; Tutoring: BBGC/CBGC; CIS ; WRAAP; DREAMS;KMI; BRC; Coastal Boxing;	General Fund; CDBG; Private Funds; Public Funds
Affordability			
Sustainability			
HUD Objective		Objective:	Key One-Year Targets
Decent Housing		Support programs that assist victims of crime and provide crime prevention and community safety education and outreach	3000 units of service annually
Suitable Living Environment	X		
Create Economic Opportunity			
HUD Outcome		Strategies:	Resources to be used:
Availability/Accessibility	X	Coastal Horizons-Rape Crisis Center/Crisis Line; Carousel Center-Services for victims of child abuse;	General Fund; Private Funds; Public Funds
Affordability			
Sustainability			
HUD Objective		Objective:	Key One-Year Targets
Decent Housing		Provide for food security & basic needs and public services for low-income households	10,000 units of service annually
Suitable Living Environment	X		
Create Economic Opportunity			
HUD Outcome		Strategies:	Resources to be used:
Availability/Accessibility	X	CF Literacy Center; Food Bank; American Red Cross; Elderhaus;	General Fund; Private Funds; Public Funds
Affordability			
Sustainability			

## Community Development

\*Please also refer to the Community Development Table in the Needs.xls workbook.

1. Identify the jurisdiction's priority non-housing community development needs eligible for assistance by CDBG eligibility category specified in the Community Development Needs Table (formerly Table 2B), public facilities, public improvements, public services and economic development.

2. Identify specific long-term and short-term community development objectives (including economic development activities that create jobs), developed in accordance with the statutory goals described in section 24 CFR 91.1 and the primary objective of the CDBG program to provide decent housing and a suitable living environment and expand economic opportunities, principally for low- and moderate-income persons.

\*Note: Each specific objective developed to address a priority need, must be identified by number and contain proposed accomplishments, the time period (i.e., one, two, three, or more years), and annual program year numeric goals the jurisdiction hopes to achieve in quantitative terms, or in other measurable terms as identified and defined by the jurisdiction.

### **Action Plan Community Development Response:**

#### **1. Non-housing Community Development Needs to be Addressed in 2015-16:**

##### **a. Infrastructure and Public Facilities**

- **DREAMS Community Arts Center:** A carry-over of FY2014-15 CDBG funds of \$150,000 is recommended for the final phase of the rehabilitation/adaptive reuse of the former City garage into the DREAMS Community Arts Center. These funds will be used for the rehabilitation of the final section of the building into a 4,500 square foot multi-purpose community gathering and performance space. The space will allow for hosting community events, DREAMS student performance showcases, and provide space for other nonprofits to host meetings and events in the NorthSide community.
- Carry-over funding from FY2011-12, \$42,265 is allocated to the **Domestic Violence Shelter** for improvements and repairs to the shelter kitchen.

##### **b. Public Services**

- The City will allocate approximately 15 percent of annual CDBG funding to four public service agencies: **Good Shepherd and Wilmington Interfaith Hospitality Network (WHIN)** (joint project), \$106,120; **First Fruit**, \$20,028; and **Domestic Violence Services (DVSS)**, \$29,900; and **LINC** \$9,855. This is a \$12,269, seven percent (7%) reduction in CDBG funds available. It is recommended that General Funds be appropriated to make up the balance to maintain the same level of funding as in the prior year.
- In addition, the City will fund, through the general fund, nonprofit agencies to provide public service to the community. See attached list of recommendations for general fund grants. Please see Attachment 1: Recommendations for General Fund Community Partner Grants.



### c. Economic Development

As of February 28, 2015, \$192,719 remains in the Community Lending Program revolving loan program.

2. Specific long-term and short-term goals as described in 24 CFR 91.1: See the attached strategies and objectives table.

## Antipoverty Strategy

1. Describe the actions that will take place during the next year to reduce the number of poverty level families.

### Action Plan Antipoverty Strategy Response:

	2009			2013			% Change Below Poverty Level
	Total	# Below Poverty Level	% Below Poverty Level	Total	# Below Poverty Level	% Below Poverty Level	
Population for whom poverty status is determined	97,807	23,229	24%	104,912	24,291	23%	5%
Age:							
Under 18 years	19,228	5,963	31%	19,768	6,521	33%	9%
Related Children under 18 years	19,186	5,921	31%	19,714	6,478	33%	9%
18-64 years	65,678	16,285	25%	70,401	16,663	24%	2%
65 years and over	12,901	981	8%	14,743	1,107	8%	13%
Sex:							
Male	46,449	9,488	20%	50,388	10,858	22%	14%
Female	51,358	13,741	27%	54,524	13,433	25%	-2%
Race:							
White	71,229	11,860	17%	78,628	14,081	18%	19%
Black or African American	22,966	10,146	44%	21,049	7,979	38%	-21%
Data Source: 2009 & 2013 US. Census, American Community Survey							

Within the scope of this Five-Year Plan, the most effective ways to fight poverty will be to:

- Promote economic development, especially workforce readiness, including basic adult literacy, for those populations experiencing the greatest need.
- Advocate for living wages to eliminate the mismatch between wages and cost of living.
- Address barriers to employment such as poor credit, criminal record, and lack of childcare or transportation.

- Link affordable housing locations to access to transportation and employment centers.
- Make affordable housing options equitably available to low income households.
- Provide a safety net to ensure families' basic needs are met, including food security and safe, decent shelter.
- Ensure that low-income youth have access to quality after-school and summer programs to receive tutoring and other support in a healthy and safe environment.

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## **NON-HOMELESS SPECIAL NEEDS HOUSING**

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### **Non-homeless Special Needs (91.220 (c) and (e))**

\*Please also refer to the Non-homeless Special Needs Table in the Needs.xls workbook.

1. Describe the priorities and specific objectives the jurisdiction hopes to achieve for the period covered by the Action Plan.
2. Describe how Federal, State, and local public and private sector resources that are reasonably expected to be available will be used to address identified needs for the period covered by this Action Plan.

#### **Action Plan Specific Objectives Response:**

The city will continue to encourage the provision of supportive services through organizations such as the New Hanover County Department of Social Services, the Health Department, Coastal Carolina HIV Care Consortium, CoastalCare MCO for Mental Health/Developmental Disabilities/Substance Abuse, the Arc of North Carolina, the Tri-County Homeless Interagency Council, and the Mayor's Committee on People with Disabilities.

Other agencies that will receive CDBG, HOME or General Funds in 2015-16 to serve special populations include Cape Fear Literacy Council, Carousel Center, Child Advocacy Parenting Place, Coastal Horizons, Domestic Violence Services, DREAMS, Elderhaus, Good Shepherd, Housing and Economic Opportunities, Kids Making It, LINC, Ability Garden, and Wilmington Interfaith Hospitality Network.

### **Housing Opportunities for People with AIDS**

\*Please also refer to the HOPWA Table in the Needs.xls workbook.

1. Provide a Brief description of the organization, the area of service, the name of the program contacts, and a broad overview of the range/ type of housing activities to be done during the next year.

2. Report on the actions taken during the year that addressed the special needs of persons who are not homeless but require supportive housing, and assistance for persons who are homeless.
3. Evaluate the progress in meeting its specific objective of providing affordable housing, including a comparison of actual outputs and outcomes to proposed goals and progress made on the other planned actions indicated in the strategic and action plans. The evaluation can address any related program adjustments or future plans.
4. Report on annual HOPWA output goals for the number of households assisted during the year in: (1) short-term rent, mortgage and utility payments to avoid homelessness; (2) rental assistance programs; and (3) in housing facilities, such as community residences and SRO dwellings, where funds are used to develop and/or operate these facilities. Include any assessment of client outcomes for achieving housing stability, reduced risks of homelessness and improved access to care.
5. Report on the use of committed leveraging from other public and private resources that helped to address needs identified in the plan.
6. Provide an analysis of the extent to which HOPWA funds were distributed among different categories of housing needs consistent with the geographic distribution plans identified in its approved Consolidated Plan.
7. Describe any barriers (including non-regulatory) encountered, actions in response to barriers, and recommendations for program improvement.
8. Please describe the expected trends facing the community in meeting the needs of persons living with HIV/AIDS and provide additional information regarding the administration of services to people with HIV/AIDS.
9. Please note any evaluations, studies or other assessments that will be conducted on the local HOPWA program during the next year.

**Action Plan HOPWA Response:**

The City of Wilmington does not receive HOPWA funds.

## **Specific HOPWA Objectives**

Describe how Federal, State, and local public and private sector resources that are reasonably expected to be available will be used to address identified needs for the period covered by the Action Plan.

**Specific HOPWA Objectives response:**

The City of Wilmington does not receive HOPWA funds.

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**Other Narrative**

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Include any Action Plan information that was not covered by a narrative in any other section.

DRAFT

**ATTACHMENT A**

**CDBG & HOME  
BUDGET SUMMARY**

DRAFT

<b>SUMMARY OF CDBG PROJECTED REVENUES 2015-16 PROGRAM YEAR</b>	
	<b>CDBG</b>
<b>REVENUE SOURCE</b>	
CDBG Entitlement	\$ 881,896
CDBG Projected Program Income	\$ 4,700
Revolving Loan Fund Repayments (Not Appropriated)	\$ 339,000
Economic Development Loan Program (Not Appropriated)	\$ 20,000
<b>TOTAL CDBG REVENUES APPROPRIATED</b>	<b>\$ 886,596</b>
<b>TOTAL CDBG REVENUES NOT APPROPRIATED</b>	<b>\$ 359,000</b>
<b>TOTAL ALL REVENUES</b>	<b>\$ 1,245,596</b>
<b>SUMMARY OF CDBG PROJECTED EXPENDITURES 2015-16 PROGRAM YEAR</b>	
<b>EXPENDITURES</b>	
Planning & Administration	\$ 249,119
<b>Total</b>	<b>\$ 249,119</b>
<b>Housing</b>	
Housing Delivery Costs-Rehab Adm	\$ 205,000
Housing Rehab Revolving Loan (Not Appropriated)	\$ 185,000
HOP Revolving Loan (Not Appropriated)	\$ 154,000
HOP	\$ 166,574
Housing Projects Undesignated To Be Determined	\$ 100,000
<b>Total</b>	<b>\$ 810,574</b>
<b>Public Services *</b>	
Good Shepherd/WHIN	\$ 106,120
First Fruit	\$ 20,028
Domestic Violence	\$ 29,900
LINC	\$ 9,855
<b>Total</b>	<b>\$ 165,903</b>
<b>Economic Development</b>	
Economic Development Loan Program (Not Appropriated)	\$ 20,000
<b>Total</b>	<b>\$ 20,000</b>
<b>TOTAL CDBG EXPENDITURES APPROPRIATED</b>	<b>\$ 886,596</b>
<b>TOTAL CDBG EXPENDITURES NOT APPROPRIATED</b>	<b>\$ 359,000</b>
<b>TOTAL CDBG EXPENDITURES</b>	<b>\$ 1,245,596</b>
General Fund \$ needed to make-up due to decrease CDBG \$12,269 or 7% cut	

<b>SUMMARY OF HOME PROJECTED REVENUES 2015-16 PROGRAM YEAR</b>	
<b>REVENUE SOURCE</b>	
HOME Entitlement	\$ 439,437
HOME Project Program Income/HOME Loan Repayments	\$ 250,000
<b>TOTAL HOME REVENUES APPROPRIATED</b>	<b>\$ 689,437</b>
<b>SUMMARY OF HOME EXPENDITURES REVENUES 2015-16 PROGRAM YEAR</b>	
<b>EXPENDITURES</b>	
Planning & Administration	\$ 68,944
<b>Total</b>	<b>\$ 68,944</b>
<b>Housing</b>	
WHFD Willow Pond Rehabilitation (\$665,674: FY14.15 \$327,837; FY16.17 \$168,917)	\$ 168,920
Beacon Mgt - Shipyard Village (\$850,000: FY14.15 \$273,948; FY16.17 \$349,479)	\$ 226,573
Housing Projects & Housing Loan Programs TBD	\$ 225,000
<b>Total</b>	<b>\$ 620,493</b>
<b>TOTAL HOME EXPENDITURES APPROPRIATED</b>	<b>\$ 689,437</b>

# Carry-Over CDBG Prior Year Funds

	2014-15 CDBG Funds Appropriated 7/1/14	CDBG Funds Prior Years	CDBG Funds Total Expenditures FY 2014/15	Carry-Over Reprogrammed for FY15/16	As of 2/28/15 CDBG Funds Carry-Over to FY15/16
<b>HOUSING</b>					
Project Delivery Costs	\$ 205,000.00	\$ -	\$ 105,354.50		\$ 99,645.50
HOP	\$ 359,445.00	\$ 131,940.98	\$ -		\$ 491,385.98
Limited Assistance Grants	\$ -	\$ 7,075.66	\$ -		\$ 7,075.66
Dawson St Lofts-WHA/HEO	\$ 100,000.00	\$ -	\$ -	\$ (100,000.00)	\$ -
Reprogram Dawson St. to Undesignated				\$ 100,000.00	\$ 100,000.00
Housing Relocation	\$ -	\$ 8,943.26	\$ -		\$ 8,943.26
Housing Demolition	\$ -	\$ 12,253.00	\$ -		\$ 12,253.00
Housing Disposition	\$ -	\$ 23,638.40	\$ 50.00		\$ 23,588.40
Joint Project - Habitat/WARM	\$ -	\$ 231,000.00	\$ 66,241.41		\$ 164,758.59
<b>SUBTOTAL</b>	<b>\$ 664,445.00</b>	<b>\$ 414,851.30</b>	<b>\$ 171,645.91</b>	<b>\$ -</b>	<b>\$ 907,650.39</b>
<b>PUBLIC IMPROVEMENTS</b>					
Voluntary Demolition & Lot Clear	\$ -	\$ 20,431.35	\$ 2,242.00		\$ 18,189.35
Public Facilities - Improvements	\$ -	\$ 95,086.50	\$ 59,806.30		\$ 35,280.20
Public Facilities-Brigade B&G Club	\$ -	\$ 3,129.29	\$ -		\$ 3,129.29
Public Facilities-Domestic Violence	\$ -	\$ 42,264.65	\$ -		\$ 42,264.65
Public Facilities-Dreams	\$ 150,000.00	\$ -	\$ -		\$ 150,000.00
<b>SUBTOTAL</b>	<b>\$ 150,000.00</b>	<b>\$ 160,911.79</b>	<b>\$ 62,048.30</b>	<b>\$ -</b>	<b>\$ 248,863.49</b>
<b>PUBLIC SERVICES</b>					
Coastal Horizons	\$ -	\$ 1,232.67	\$ -		\$ 1,232.67
Domestic Violence	\$ 32,151.00	\$ -	\$ -		\$ 32,151.00
First Fruit Ministries	\$ 21,535.00	\$ -	\$ -		\$ 21,535.00
Joint Project- Good Shep. & WIN	\$ 114,107.00	\$ 7,000.53	\$ 20,074.55		\$ 101,032.98
LINC	\$ 10,597.00	\$ -	\$ 10,597.00		\$ -
<b>SUBTOTAL</b>	<b>\$ 178,390.00</b>	<b>\$ 8,233.20</b>	<b>\$ 30,671.55</b>	<b>\$ -</b>	<b>\$ 155,951.65</b>
<b>ADMINISTRATION &amp; PLANNING</b>					
Administration	\$ 210,709.00	\$ 2,000.00	\$ 102,500.00		\$ 110,209.00
<b>SUBTOTAL</b>	<b>\$ 210,709.00</b>	<b>\$ 2,000.00</b>	<b>\$ 102,500.00</b>	<b>\$ -</b>	<b>\$ 110,209.00</b>
Reprogramable	\$ -	\$ 851.93	\$ -		\$ 851.93
<b>Grand Total</b>	<b>\$ 1,203,544.00</b>	<b>\$ 586,848.22</b>	<b>\$ 366,865.76</b>	<b>\$ -</b>	<b>\$ 1,423,526.46</b>



## Carry-Over HOME Prior Year Funds

	2014-15 HOME Funds Appropriated 7/1/14	HOME Funds Prior Years	HOME Funds Total Expenditures FY 2014/15	Carry-Over Reprogrammed for FY15/16	As of 2/28/15 HOME Funds Carry-Over to FY15/16
<b>HOUSING</b>					
HOP	\$ -	\$ 3,207.25	\$ -		\$ 3,207.25
Habitat For Humanity Acquisition	\$ -	\$ 153,987.94	\$ 20,000.00		\$ 133,987.94
Housing Relocation	\$ -	\$ 3,761.10	\$ -		\$ 3,761.10
Beacon Management/ShipyardVillage	\$ 273,948.00	\$ -	\$ -		\$ 273,948.00
CASA - Lockwood Village	\$ -	\$ 650,000.00	\$ 401,606.00		\$ 248,394.00
CHDO - AME Zion	\$ -	\$ 173,302.44	\$ -		\$ 173,302.44
CHDO - CDC	\$ -	\$ 293,150.00	\$ 123,370.93		\$ 169,779.07
Downpayment Assistance	\$ -	\$ 75,688.00	\$ 54,900.00		\$ 20,788.00
Willow Pond Rehab- WHFD	\$ 327,837.00	\$ -	\$ -		\$ 327,837.00
<b>SUBTOTAL</b>	\$ 601,785.00	\$ 1,353,096.73	\$ 599,876.93	\$ -	\$ 1,355,004.80
<b>ADMINISTRATION &amp; PLANNING</b>					
Administration - Other	\$ -	\$ 1,528.00	\$ -		\$ 1,528.00
Administration	\$ 66,865.00	\$ -	\$ -		\$ 66,865.00
<b>SUBTOTAL</b>	\$ 66,865.00	\$ 1,528.00	\$ -	\$ -	\$ 68,393.00
Reprogrammable	\$ -	\$ 369.86	\$ -		\$ 369.86
<b>Grand Total</b>	\$ 668,650.00	\$ 1,354,994.59	\$ 599,876.93	\$ -	\$ 1,423,767.66

## CHDO Reserves and Proceeds

	As of 2/28/15 HOME Funds Available from Priors Years	Appropriated HOME Funds Total Expenditures FY2014/15	Available CHDO Proceeds	As of 2/28/15 CHDO Proceeds Total Expenditures FY2014/15	Total Funds Available FY2015	As of 2/28/15 Total Expenditures FY2014/15	Current Funds Available	Available CHDO Proceeds Balance @ 2/28/15
<b>HOUSING</b>								
CHDO Undesignated	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
CHDO - AME Zion	\$ 173,302.44	\$ -	\$ 250,551.01	\$ -	\$ 423,853.45	\$ -	\$ 423,853.45	\$ 250,551.01
CHDO - CDC	\$ 293,150.00	\$ 123,370.93	\$ 55,076.95	\$ 2,081.55	\$ 348,226.95	\$ 125,452.48	\$ 222,774.47	\$ 52,995.40

## Summary of General Funds, Revolving Funds, and Other Funds

	Other Grants General Funds Revolving Loan Funds Other Funds Available	As of 2/28/15 General Funds Revolving Loan Funds Other Funds Available Total Expenditures FY2014/15	Private Funds Available & Expenditures Provided by Banks	Total Funds Available FY2015	As of 2/28/15 Total Expenditures FY2014/15	Current Funds Available	Available Revolving Cash Balance @ 2/28/15
<b>HOUSING</b>							
Foreclosure/Back Taxes & Other Costs	\$ 50,330.57	\$ 804.58	\$ -	\$ 50,330.57	\$ 804.58	\$ 49,525.99	\$ -
Housing Rehabilitation	\$ 504,487.20	\$ -	\$ -	\$ 504,487.20	\$ -	\$ 504,487.20	\$ 404,487.20
HOP	\$ 463,447.69	\$ 77,150.00	\$ 60,000.00	\$ 523,447.69	\$ 137,150.00	\$ 386,297.69	\$ 463,447.69
Homeownership Services	\$ 49,834.58	\$ 12,182.28	\$ -	\$ 49,834.58	\$ 12,182.28	\$ 37,652.30	\$ -
Loan Supplements/back taxes	\$ 41,015.00	\$ -	\$ -	\$ 41,015.00	\$ -	\$ 41,015.00	\$ -
Lead-Based Paint Grants	\$ 26,258.00	\$ -	\$ -	\$ 26,258.00	\$ -	\$ 26,258.00	\$ -
Rental Rehab	\$ 66,838.41	\$ -	\$ -	\$ 66,838.41	\$ -	\$ 66,838.41	\$ 66,838.41
Cape Fear Housing Land Trust	\$ 21,767.00	\$ -	\$ -	\$ 21,767.00	\$ -	\$ 21,767.00	\$ -
CHDO - AME Zion	\$ 25,330.00	\$ -	\$ -	\$ 25,330.00	\$ -	\$ 25,330.00	\$ -
<b>SUBTOTAL</b>	<b>\$ 1,249,308.45</b>	<b>\$ 90,136.86</b>	<b>\$ 60,000.00</b>	<b>\$ 1,309,308.45</b>	<b>\$ 150,136.86</b>	<b>\$ 1,159,171.59</b>	<b>\$ 934,773.30</b>
<b>ECONOMIC DEVELOPMENT</b>							
Community Lending Program	\$ 193,119.13	\$ 400.00	\$ -	\$ 193,119.13	\$ 400.00	\$ 192,719.13	\$ 192,719.13
<b>SUBTOTAL</b>	<b>\$ 193,119.13</b>	<b>\$ 400.00</b>	<b>\$ -</b>	<b>\$ 193,119.13</b>	<b>\$ 400.00</b>	<b>\$ 192,719.13</b>	<b>\$ 192,719.13</b>
<b>PUBLIC SERVICES</b>							
American Red Cross	\$ 10,000.00	\$ 8,318.75	\$ -	\$ 10,000.00	\$ 8,318.75	\$ 1,681.25	\$ -
Brigade Boys & Girls Club	\$ 70,819.00	\$ 39,144.52	\$ -	\$ 70,819.00	\$ 39,144.52	\$ 31,674.48	\$ -
Cape Fear Literacy Council	\$ 13,581.00	\$ 13,137.29	\$ -	\$ 13,581.00	\$ 13,137.29	\$ 443.71	\$ -
Coastal Horizons	\$ 97,030.00	\$ 24,812.30	\$ -	\$ 97,030.00	\$ 24,812.30	\$ 72,217.70	\$ -
Community Boys & Girls Club	\$ 20,000.00	\$ 11,911.02	\$ -	\$ 20,000.00	\$ 11,911.02	\$ 8,088.98	\$ -
Communities in Schools CF	\$ 19,808.00	\$ 11,154.95	\$ -	\$ 19,808.00	\$ 11,154.95	\$ 8,653.05	\$ -
Dreams of Wilmington	\$ 20,000.00	\$ -	\$ -	\$ 20,000.00	\$ -	\$ 20,000.00	\$ -
Elderhaus	\$ 19,231.00	\$ 9,674.45	\$ -	\$ 19,231.00	\$ 9,674.45	\$ 9,556.55	\$ -
Food Bank	\$ 14,853.00	\$ 13,973.00	\$ -	\$ 14,853.00	\$ 13,973.00	\$ 880.00	\$ -
Kids Making It	\$ 30,288.00	\$ -	\$ -	\$ 30,288.00	\$ -	\$ 30,288.00	\$ -
LINC	\$ 38,541.00	\$ 33,397.10	\$ -	\$ 38,541.00	\$ 33,397.10	\$ 5,143.90	\$ -
Phoenix Employment Agency	\$ 15,000.00	\$ 7,500.00	\$ -	\$ 15,000.00	\$ 7,500.00	\$ 7,500.00	\$ -
United Way	\$ 30,000.00	\$ 15,000.00	\$ -	\$ 30,000.00	\$ 15,000.00	\$ 15,000.00	\$ -
WIL Residential Adolescnt	\$ 22,844.00	\$ 10,695.00	\$ -	\$ 22,844.00	\$ 10,695.00	\$ 12,149.00	\$ -
Wilmington Coastal Boxing	\$ 10,000.00	\$ -	\$ -	\$ 10,000.00	\$ -	\$ 10,000.00	\$ -
Ability Garden/Arboretum	\$ 6,500.00	\$ 3,250.00	\$ -	\$ 6,500.00	\$ 3,250.00	\$ 3,250.00	\$ -
Aging In Place Downtown	\$ 8,998.00	\$ -	\$ -	\$ 8,998.00	\$ -	\$ 8,998.00	\$ -
Second Chance Reentry Grant	\$ 600,000.00	\$ -	\$ -	\$ 600,000.00	\$ -	\$ 600,000.00	\$ -
<b>SUBTOTAL</b>	<b>\$ 1,047,493.00</b>	<b>\$ 201,968.38</b>	<b>\$ -</b>	<b>\$ 1,047,493.00</b>	<b>\$ 201,968.38</b>	<b>\$ 845,524.62</b>	<b>\$ -</b>
<b>ADMINISTRATION &amp; PLANNING</b>							
Administration - Other	\$ 3,827.68	\$ 3,526.63	\$ -	\$ 3,827.68	\$ 3,526.63	\$ 301.05	\$ -
Administration	\$ 275,723.00	\$ 141,580.53	\$ -	\$ 275,723.00	\$ 141,580.53	\$ 134,142.47	\$ -
<b>SUBTOTAL</b>	<b>\$ 279,550.68</b>	<b>\$ 145,107.16</b>	<b>\$ -</b>	<b>\$ 279,550.68</b>	<b>\$ 145,107.16</b>	<b>\$ 134,443.52</b>	<b>\$ -</b>
<b>Grand Total</b>	<b>\$ 2,769,471.26</b>	<b>\$ 437,612.40</b>	<b>\$ 60,000.00</b>	<b>\$ 2,829,471.26</b>	<b>\$ 497,612.40</b>	<b>\$ 2,331,858.86</b>	<b>\$ 1,127,492.43</b>

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## **ATTACHEMENTS**

Attachment 1:  
Recommendations for General Fund Grants  
(Public Service Recommendations for funding FY2014.15)

Attachment 2: Affirmative Marketing Certifications

Attachment 3: City of Wilmington MBE-WBE Policy

Attachment 4: City of Wilmington Fair Housing Plan/ TBD

Attachment 5: Non-State Certifications

Attachment 6: Foundations Report (draft)

Attachment 7: City of Wilmington Housing Loan Program Guidelines

# Attachment 1: RECOMMENDATIONS FOR GENERAL FUND GRANTS

COMMUNITY DEVELOPMENT PUBLIC SERVICES RECOMMENDATIONS				
CDBG Public Services Cap		\$ 165,903		
General Fund ( amount allocated in FY14/15)		\$ 450,000		
General Fund - United Way Initiatives		\$ 70,000		
<b>Total Funds Available</b>		<b>\$ 685,903</b>		
AGENCY	General Funds	Additional General Funds	CDBG	Total Funds
Brigade/Community Boys & Girls Club	\$ 44,276			\$ 44,276
Good Shepherd Center/WHIN		\$ 7,987	\$ 106,120	\$ 114,107
Community in Schools of the Cape Fear	\$ 19,808			\$ 19,808
Dreams of Wilmington	\$ 20,000			\$ 20,000
Brigade Boys & Girls Club	\$ 26,543			\$ 26,543
Kids Making It	\$ 30,288			\$ 30,288
Coastal Horizons Center Rape Crisis/Carousel Center	\$ 26,180			\$ 26,180
Ability Garden	\$ 6,500			\$ 6,500
Coastal Horizons Open House Youth Shelter	\$ 40,000			\$ 40,000
AMEZ/Mercy House	\$ 25,330			\$ 25,330
Community Boys & Girls Club	\$ 20,000			\$ 20,000
LINC	\$ 36,972	\$ 742	\$ 9,855	\$ 10,597
Phoenix Employment Ministry	\$ 15,000			\$ 15,000
WRAAP	\$ 22,844			\$ 22,844
Cape Fear Literacy Council	\$ 13,581			\$ 13,581
First Fruit		\$ 1,507	\$ 20,028	\$ 21,535
Domestic Violence Shelter and Services		\$ 2,251	\$ 29,900	\$ 32,151
Cape Fear Community Land Trust	\$ 21,767			\$ 21,767
American Red Cross	\$ 10,000			\$ 10,000
Elderhaus	\$ 19,231			\$ 19,231
Food Bank of CENC	\$ 14,853			\$ 14,853
Wilmington Coastal Boxing	\$ 10,000			\$ 10,000
Historic Wilmington Foundation	\$ 11,723			\$ 11,723
Aging in Place Downtown	\$ 8,998			\$ 8,998
United Way/Blue Ribbon Commission	\$ 20,000			\$ 20,000
Cape Fear Council of Gov (formerly UW 10 Yr Plan)	\$ 50,000			\$ 50,000
<b>TOTAL</b>	<b>\$ 513,894</b>	<b>\$ 12,487</b>	<b>\$ 165,903</b>	<b>\$ 655,312</b>

## Attachment 2: Affirmative Marketing Policy

June 22, 2012  
Affirmative Marketing Procedures  
Community Development Programmatic Response

The following are the written procedures to ensure compliance with the Code of Federal Regulation Affirmative Marketing mandates.

- Community Development and Housing Planner facilitates a prefunding workshop with includes the presentation by staff of HOME and Fair Housing regulatory requirements including but not limited to fair housing, disclosures, and tenant selection plans. A question and answer session is included.
- Community Development Staff conduct site assessments and determine potential needs for developments prior to funding approvals.
- The Community Development Compliance Specialist under supervision of the City of Attorney's office drafts funding agreements to include compliance with assurances for the development of housing under the HOME Partnership Grant funding provisions. The compliance with assurances clauses include the following:

Developer shall comply with the Federal Requirements for the HOME program as set forth in 24 CFR Part 92, Subpart H. A of the regulations and specifically references *Affirmative Marketing; Minority Outreach Program* and 92.351 is included and attached to the agreement incorporated into an Exhibit along with other requirements.

- Pre contract workshops are facilitated by the Community Development Compliance Specialist and each representative is provided with a copy of the US Dept. of HUD Compliance in HOME Rental Projects: A Guide for Property Owners. The requirements are reviewed at the workshops and technical assistance is provided throughout the development including meetings with property managers and staff, if required or requested.
- Technical assistance is provided to sub recipients, contractors, and/or developers and their representatives on the requirement and development of tenant selection policies, including the maintenance, retention and procedures for waiting lists. Agencies maintain control of their waiting lists and are interviewed by the Community Development Compliance Specialist to determine that the selection of eligible tenants is on a first come first serve basis and the tenant listing is reviewed for comparison at year end or monitoring assessment visits.

- The Community Development Compliance Specialist reviews the leases prior to project closeout to determine that the fair housing logos and language are included, houses rules if an evitable offense are attached as an exhibit, and that there are no violations of fair housing and equal access to the properties, and that no applicable federal, State, and local regulations are being violated. Agencies are referred to fair housing and if required to attend copies of the certificates are submitted to the City of Wilmington for verification. The City of Wilmington does not write leases, but directs to the proper areas for assistance including referring to the agencies legal counsel, including the distribution of the NC Bar Association Landlord and Tenant Rights Materials.
- Community Development staff attend the housing coalition, permanent supportive housing, and various other meetings where special housing referrals are managed to our agencies.

### Attachment 3: City of Wilmington MBE-WBE Plan

#### MBE/WBE Outreach Efforts

The City of Wilmington has a comprehensive plan to address and enhance minority and women owned business enterprises. Below are the strategic steps as outlined in the plan:

- Work with minority-focused and small business groups that support MWBE and small business inclusion in the solicitation of bids. These groups include the Community Development Corporation (CDC), Small Business Technology Development Center (SBTDC) at the University of North Carolina at Wilmington, the Black Chamber of Commerce, the Hispanic Chamber of Commerce, the Community Action Group, Partners for Economic Inclusion, Greater Wilmington Chamber of Commerce, Wilmington Small Business Network, and others as they become available and known to the City.
- Link web sites where possible so those MWBE firms can gain broad access to bidding information, business development resources, and training opportunities.
- Place more emphasis on the importance of soliciting certified MWBE firms and small businesses for subcontracting opportunities at pre-bid conferences and in the bid documents. Examine specifications to identify special subcontracting opportunities and strongly encourage prime contractors to solicit bids for subcontracts from MWBE firms.
- Provide detailed information to majority contractors concerning the City's MWBE Policy and Procurement Policy and provide information on N.C.G.S. 143-129 by holding meetings with the contractors.
- Assess the effectiveness of the MWBE Program and identify opportunities to enhance it by evaluating MWBE participation and compliance and reviewing the "good faith efforts" provided in bid packages. Feedback will be given to bidders regarding their "good faith efforts" submitted in the bid packages.
- Identify subcontracting opportunities unique to each construction contract and project and concentrate heavily on targeting certified MWBE firms and small businesses that have expressed an interest in City of Wilmington projects. Identify these opportunities and contact interested businesses no later than 10 days prior to the bid opening and provide a list of prime contractors who are pre-qualified to bid on the project.
- Build new business relationships through networking and continue networking with other North Carolina cities and counties to find out how their Outreach Program and MWBE program is working and sharing "best practices" and ideas to improve the program.
- Participate in educational opportunities throughout the community through seminars and training sessions, to share the City's MWBE Program with interested businesses and organizations.



- Be visible through participation in trade shows and business organizations of interest to MWBE firms, majority contractors and small businesses, and provide information to the general public about the MWBE Program, and continue outreach efforts to the business community.
- Enhance the City's web page by better defining the MWBE policy, listing good faith efforts, and creating links to MWBE resources, and creating awareness of specific subcontracting opportunities.
- Make available to minority-focused agencies, a list of subcontracting opportunities when they are identified, no later than 10 days prior to the bid opening, and a list of prime bidders that subcontractors may wish to contact for subcontracting consideration.
- Review the feasibility of using a reciprocal certification program with other municipalities to "grow" our list of MWBE certified vendors because many of our contractors are from out of town.
- Purchasing staff will interview subcontractors during routine visits to construction sites to determine contractor compliance.
- Establish a database specifically for MWBE firms and majority contractors to ensure that those firms wishing to do business with the City have access to up to date information.
- Help build relationships between minority and majority contractors.
- Advertise in minority-focused media, upcoming bid opportunities.
- Work with Architects and Engineers to make subcontracting opportunities more noticeable and more easily understood by potential contractors and subcontractors.

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Attachment 5: Non-State Certifications

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